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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1991

HEARINGS BEFORE A SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES ONE HUNDRED FIRST CONGRESS SECOND SESSION

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Printed for the use of the Committee on Appropriations

U.S. GOVERNMENT PRINTING OFFICE

31-534

WASHINGTON : 1990

H181-92

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DEPARTMENT OF DEFENSE APPROPRIATIONS FOR 1991

THURSDAY, MARCH 8, 1990.

MILITARY MANPOWER—DEPARTMENT OF THE ARMY

WITNESS

LT. GEN. ALLEN K. ONO, DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY

INTRODUCTION

Mr. WILSON. This morning, we will hear testimony from Lieutenant General Allen K. Ono, USA, Deputy Chief of Staff for Personnel.

The fiscal year 1991 budget request for Military Personnel, Army is \$24,295,600,000 and supports an end strength of 727,500.

General Ono, we welcome you. Your prepared statement will be made a part of the record. Would you please summarize it at this time.

SUMMARY STATEMENT OF GENERAL ONO

General ONO. I have briefly three points to make. I have a written statement and I ask that it be entered into the record.

QUALITY OF THE ARMY

I would like to emphasize three things that come out of the longer statement. First is that you should be very proud of your quality Army that we have today. They are great soldiers. I know that you have seen them in action, and they are just trained and ready. They were tested recently in Panama, and we are extraordinarily proud of the record of achievements that they had there.

Our goal is the quality that gives us that edge, and we ask for your support as you have in the past to keep the momentum of quality recruiting and quality retention because the Army is people.

MILITARY PERSONNEL REPROGRAMMING

Second is the more immediate problem of reprogramming. If I could address that, because it threatens to damage severely our combat readiness and the morale of our soldiers and their families.

We find ourselves in this situation not simply from the sequestration actions but because we had to absorb unbudgeted costs that came from higher aviation pay, bonuses and double dislocation al-

lowances. We had to absorb those costs, and in addition there were dollars drawn from strength cuts.

Our total is \$232 million and we made up a lot of the total amounts that we needed—let me begin again.

The total amount exceeded \$600 million, and we made up more than \$400 million of that, and so we have \$232 million for which we would need reprogramming, and without this amount, then, what we are looking at is a PCS freeze, a promotion freeze and involuntary early separation and accession reductions.

These actions become drastic for us and affect large numbers of soldiers because of the compressed few months that we have left in this fiscal year to conduct these actions.

Our soldiers do not understand this reprogramming. Many of us understand it because we deal with the budget and understand the technicalities of reprogramming and its rules, but to the soldier in the field, they just do not comprehend what is happening in this regard and these actions would translate as indications that their government perhaps does not care about them.

About 18,000 soldiers, due to transfer this summer, will be stopped and given new rotation dates in the fall. Their children will need to start school in one location and then transfer in the middle of the year to another school in the fall because they were not allowed to move in the summer. Their children and their parents will feel deprived and become the innocent victims of reprogramming.

Promotions that our soldiers expected this summer and this fall will not occur, 24,000 of them, and this will mean then the loss of \$25 million of real income to them. And these soldiers just will not understand.

Further, we will confuse soldiers who are counting on serving their last three months in the Army. They will be told to pack up and go home. They will lose \$52 million of earnings. They will also cause a sudden undermanning of the force and damage combat readiness throughout the force.

Young Americans, Mr. Chairman, in the delayed entry program, will have their enlistment contracts voided. Twenty-two thousand of them cannot start their Army service because of reprogramming. Word of this will spread and hurt recruiting for years ahead. These new soldiers are needed in Army units, which means that our readiness will fall.

These are the actions that the Army must take if the reprogramming is not approved. The size, the compressed timing, the cumulative effects of these actions will damage the quality Army for the years ahead.

We ask for your support for the reprogramming request in order to avoid these actions that are devastating to combat readiness and the morale of our soldiers and their families.

REDUCTION IN FORCES

Now I turn to the third point that I would like to make this morning that requires emphasis. The Army needs flexibility to conduct our reduction plans. The Army will become smaller by 135,000

in the next five years. The Officer Personnel Management Act just does not give us the flexibility to shape our force properly.

Therefore, a number of changes in DOPMA have been introduced to assist us. We need the changes now and cannot wait for the authorization bill. We need time to draw up our plans, to inform the force, to conduct the boards and to announce the results in sufficient time so affected officers can make individual plans to leave the Army.

These are difficult actions, and we need the time to act deliberately and with care and compassion. I fully realize that this is an authorization issue, but yet again, as the Defense Subcommittee of the Appropriations Committee, we know that you will be very interested in how we will be shaping our force.

SUMMARY

To sum up, then, first, ours is a quality Army and we ask your support to keep it that way. We need to solve the reprogramming issue by avoiding drastic actions this year and flexibility is required to shape the force and we ask that this be approved early so that we could get our actions done correctly and with care.

[The statement of General Ono follows:]

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RECORD VERSION

STATEMENT BY

LIEUTENANT GENERAL ALLEN K. ONO

DEPUTY CHIEF OF STAFF FOR PERSONNEL

U.S. ARMY

BEFORE THE

SUBCOMMITTEE ON DEFENSE

COMMITTEE ON APPROPRIATIONS

HOUSE OF REPRESENTATIVES

SECOND SESSION, 101ST CONGRESS

MILITARY PERSONNEL - ARMY

7 MARCH 1990

NOT FOR PUBLICATION
UNTIL RELEASED BY THE
HOUSE APPROPRIATIONS
COMMITTEE

STATEMENT OF
LIEUTENANT GENERAL ALLEN K. ONO
DEPUTY CHIEF OF STAFF FOR PERSONNEL, U.S. ARMY

INTRODUCTION

Mr. Chairman and members of the committee:

It is indeed a pleasure to again have the opportunity to appear before this committee and discuss those programs that are so critical to maintaining a quality Army today and in the future. In light of the changing economic and social posture both here and abroad it is important that the Army have the opportunity to explain how we plan to adjust and establish our priorities for the challenging years ahead.

The Army has gone through an extensive transformation in the last ten years: one that has been extremely good for the Army; one that has seen the Army go from a conscripted force to an all voluntary force; one that has produced a quality Army unmatched in its history. It is an Army that is ready and capable to meet the strategic missions and challenges given to it by the people of this nation.

Today, the people of this country have an Army of which they can be justifiably proud. This success has not come easily. It required over a decade of hard work, sacrifices and adequate resources. It required the combined efforts of the Department of Defense, the Army itself, and the Congress. Many of our successes can be directly attributed to the fine support provided to the Army by members of this committee.

To better understand the priorities that the Army has set for managing our force in the future, it is important to understand the hard road we have had to take in the last decade to arrive at today's quality force. In 1980, only 54 percent of our soldiers were high school graduates, over 52 percent tested in the lowest category the Army may recruit by law. Indiscipline was of major concern. Incidents of alcohol and other substance abuse were unacceptably high. Misconduct was a major problem to commanders. Enlistment and retention rates were disappointing. Our soldiers and their families were asked to accept a quality of life substantially below that of their civilian counterparts. Our units were undermanned, lacked modern equipment and had limited opportunity to train. Readiness was questionable and morale was extremely low.

We have succeeded in rebuilding that force into today's quality Army. The quality of our recruits is high, thanks to your support and the hard work of our recruiters. We continue to see the extraordinary power and attraction of the Montgomery GI Bill. Today, over 90 percent of our soldiers are high school graduates. We have established and attained a goal to recruit no more than 4 percent from within category IV. Our indiscipline rates have plummeted as the quality of our recruits increased. We have exceeded our retention objectives in all categories. During Fiscal Year 1989 we reenlisted 115 percent of our goal of career soldiers.

One reason for this great retention record can be attributed to the significant progress made in improving the quality of life of our soldiers and families. We have increased the quality and number of family housing units, modernized hospitals and clinics, expanded our ability to provide child care and instituted programs that give priority to spouses seeking employment. For the single soldier, we have instituted our "BOSS" (Better Opportunities for Single Soldiers) program designed to provide morale, welfare and recreation activities targeted at our 18 to 25 year old single soldiers. The list of accomplishments is impressive.

We are proud of our successes and desire to retain the same high standards as we restructure our Army for the future. Our successes in recruiting and retention and the improvements in the quality of life of our soldiers and their families have enabled us to continue to attract and retain the best. This has led to substantial improvements in readiness and warfighting capabilities.

As General Vuono discussed in his testimony the other day, the Army has continued to evaluate the impact of recent trends in the international environment, the changing threat and the sustained real resource reductions, and has begun the difficult task of posturing itself for these changing times. We have concluded that the Army of 1995 must be smaller, but no less capable. We have concluded that this smaller Army must focus even harder on quality as a combat multiplier. As we get smaller, the quality of our people, both soldiers and civilians, will determine the versatility and capability of our force.

It is because of this that the Army Chief of Staff's first of six imperatives is quality. The experiences of the recent years, reinforced during Operation "Just Cause" in Panama, have affirmed that quality produces the versatility needed to respond to unforeseen situations. Therefore, we must and will focus on recruiting and retaining quality soldiers and civilians and on those force management programs that provide the Army the ability to manage properly the careers of its soldiers and civilians.

Our planning for the future is based on sound personnel management principles.

First and foremost, we will protect the quality gains we have achieved.

Second, our programs will help shape the force of the future - we will recruit and retain the right people for the right jobs, focusing on the highly technical skills.

Third, we will sustain readiness - we must preclude undermanning of the Army.

Fourth, we will use care and compassion in dealing with our soldiers, civilians and their families - we must continue to provide career opportunities. It will be extremely important that we keep faith with our workforce.

Lastly, we will use common sense - we will work to prevent unnecessary turbulence and disruption of our families.

RECRUITING AND RETENTION

The lifeblood of our ability to sustain a quality force is our ability to recruit and retain quality soldiers. Even as the Army becomes smaller, we must continue to fill the force through quality accessions and selective retention, applying today's high standards. In the last few years this has been exceedingly difficult. For years, our recruiting resources have been declining. Simultaneously, the pool of available quality youth was also declining, youth unemployment was at all time lows and competition from the civilian labor market was increasing. If we are to sustain the quality gains of the recent past, adequate recruiting resources should be provided, and we must be given the correct incentive programs needed to recruit.

It is imperative that the Army be given the opportunity to continue to provide a two year enlistment option for critical non-combat arms military occupational specialties, if the final report, due to the committee in October, fully supports continuation of this incentive. This committee granted us the opportunity to test this concept and the initial results are very encouraging.

To date, we have assessed over 3,000 soldiers into this program. Of this, approximately 900 were females.

We have long contended that advertising has a direct and immediate impact on quality recruiting. This is supported by studies conducted by the Rand Corporation. If we are to sustain quality recruitment through the turbulent times we are facing, it is imperative that our advertising budget be adequately resourced. The competition for quality recruits will not diminish but become more intense. To be competitive, the Army must have adequate recruiting resources.

Last year this committee expressed concern over the stresses faced by recruiters and their families. A major factor for reducing such stress is to provide recruiters with the tools needed to recruit in today's highly competitive market. Major General Wheeler, Commander of the U.S. Army Recruiting Command, will testify later this month before this committee on this issue. However, let me highlight some facts for you. Recruiting impropriety incidents are down. In FY 89, 78 recruiters were relieved for improprieties that is less than one percent of the recruiting force, as compared with 189 or 2.4 percent of the recruiting force in FY 87. The Army will not tolerate recruiter improprieties. We have directed and continue to implement programs to help combat recruiter stress and to assist families to the rigors of recruiting life.

MILITARY PERSONNEL MANAGEMENT PROGRAMS

Equally important is the Army's ability to manage its force properly. Once recruited, retention will be affected by the Army's ability to manage properly the careers of its soldiers. This necessitates a continuing review and adjustment of officer, warrant officer, and NCO and enlisted management programs to ensure that they meet the force structure and technological requirements of the future.

DOPMA OFFICER MANAGEMENT

As we addressed the need to reduce the force, it became apparent that the Army did not have the tools it needed to implement properly any proposed large scale reductions. As an example, existing law does not provide the tools to eliminate officers selectively in their 6th to 20th years of service. This leaves the services only the opportunity to reduce officer accessions below that needed to sustain the force and to selectively retire early 30 percent of those officers who have more than 4 years in grade as a Colonel and those Lieutenant Colonels who have twice been passed over for promotions to Colonel. This precludes any balanced approach to long term management of the officer corps.

In July 1989 the Department of Defense forwarded proposed legislation that would modify certain restrictions involving the voluntary and involuntary retirement and discharge of commissioned officers. This legislation was not acted on during the last session. As we look at the force reductions proposed for the next few years, early enactment of this legislation is critical.

It will be needed now, prior to the enactment of the FY 91 Authorization Act, to enable the Army to plan, announce and conduct these programs in an orderly fashion. The DOD report submitted to the Congress on February 27, 1990, by the Assistant Secretary of Defense for Force Management and Personnel provides in detail an explanation of our need for this legislation.

WARRANT OFFICER MANAGEMENT ACT

Similarly, the Department of Defense is seeking legislation to help better manage its Warrant Officer Corps. Warrant Officers are leaving the service too early, causing us to fall short of requirements for senior technical expertise. Most are being drawn by lucrative jobs. During the last session of Congress, a proposal was submitted that would provide the service secretaries authority to restructure the management of Warrant Officers. It includes the ability to selectively retire Warrant Officers, replace the dual promotion system similar to the Pre-DOPMA Officer System with a single promotion system, and provide for a new Chief Warrant Officer 5 Grade.

The Army supports this proposal. It, along with changes to DOPMA and ROPMA, would provide for a comprehensive restructuring of the Total Officer Corps Management Program.

RESERVE OFFICER PERSONNEL MANAGEMENT ACT (ROPMA)

There is also a real need within the reserve components officer management system for changes that would provide authority similar to that provided to the active force by DOPMA. The Department of Defense proposal closely aligns the active and reserve systems, creating a "total" officer management process. It provides for selective continuation and selective early retirement, flexible zones for promotion consideration and a balance between management objectives and equitable treatment of individual career expectations. It would contribute to quick assimilation of personnel during mobilization.

QUALITY OF LIFE

May we turn now to another readiness issue, Quality of Life.

The Quality of Life programs are critical to our ability to recruit and retain the best soldiers. Quality of Life is a Readiness

issue. It directly impacts on soldier job performance and on the decision of soldiers and families to make the Army a career. We have made great strides in providing for our soldiers and their families support programs equal to the Standards of American society. However, more needs to be done.

As we transition to a smaller force, we cannot forget the impact that such turbulence will have on our families. We must ensure that those programs that assist our families today - such as child care, family support, exceptional family member, medical and dental care, morale, welfare and recreation, and those that will help those asked to depart before completing a full career - are in place and effective. It is important that funding for base operations not be degraded to the point that it adversely impacts on these essential programs. Care and compassion can not be provided if the resources are not available to fund critical support programs.

CIVILIAN PERSONNEL PROGRAMS

The civilian workforce is an equal partner of the Army team, essential to our ability to accomplish our mission. As we look at reducing the Army, this dedicated and professional element of the total team will become even more critical.

CIVILIAN MODERNIZATION PROGRAM

It is time to address the inequities within the civilian personnel management system. It is cumbersome and nonsupportive of the needs of a quality work force. It provides no incentive for the best to stay and seek a full career. It fails to provide the training needed for career progression. To commanders, it is unresponsive and restrictive.

CIVILIAN TRAINING

The importance of attracting and retaining top quality professional, technical and managerial civilian personnel cannot be overemphasized. The professional development of these individuals must be systematically pursued in order to retain this expertise and to create highly skilled civilians to meet the needs dictated by advancing technology. The Army civilian training, education, and development system provided planned, standardized programs to enhance our civilian work force. It blends progressive technical, professional and leadership training for individuals from every level to key managerial and executive positions. It is important that funding for such essential training be continued, even during periods of fiscal constraints. Investing in enhancing the technical expertise of the civilian work force and in the future civilian leadership of the Army is money well spent.

ARMY SENIOR EXECUTIVE SERVICE

The Army is greatly concerned over the reduced funding provided for Senior Executive Service (SES) workyears in the FY 90 Appropriations Act. This reduction came at a time when the Army was attempting to bring the SES program back to full strength after having unilaterally frozen recruitment and fill. In FY 87, the Army imposed a freeze to allow for a revalidation of SES requirements Army-wide using the Hay Study Methodology. During the period of this review, position fill levels were reduced from 364 to 317. Once positions were validated, the Army had planned, over a period of years, to fill revalidated vacancies.

Our FY 90 Budget Request would have provided for filling 355 SES billets, well below the 381 quotas recognized by OPM. Currently, the Army has 321 SES members on-board. Army SES positions comprise only 1/10th of 1 percent of the civilian workforce. Since the predominance of SES positions are in technical fields such as engineering and science this Congressionally imposed undermanning is causing significant difficulties throughout the Army. It is important that these billets be funded at least to the level proposed in the FY 91 budget submission to preclude any further degradation of readiness.

PERSONNEL SYSTEMS MODERNIZATION

Personnel systems modernization is a critical element in our ability to manage the Army of the future properly. Its importance has become even more acute as we assess the impact of force structure reductions on our ability to manage our forces effectively. To meet our strategic missions in the future, we will need to devote more of our manpower towards front line combat requirements and reduce the size of our support force. To compensate for such reductions, it is important that we develop and provide to commanders the automation tools they need.

One of the critical tools needed by the Army is SIDPERS-3. This initiative is designed to modernize strength reporting and personnel administration for the active Army in peacetime and the total Army during mobilization, wartime and demobilization. A just completed review of this program has reaffirmed it as the only reasonable alternative that can meet both functional and technical requirements for modernization of our current system.

In last year's Appropriation Act funding for this program and other personnel automation requirements was severely reduced. These programs are critical to the future modernization of the Army's personnel systems. They include: The fielding of TACCS terminals; Project 80X, A Department of the Army level systems upgrade; Total Army Personnel Database (TAPDB); Army civilian personnel system, and personnel electronic records management system (PERMS), a optical digital imagery records management. Full funding of the Army's personnel automation modernization programs is essential.

MILITARY PERSONNEL RESOURCING

Throughout this testimony I have tried to emphasize the importance of a quality Army and the need to fill that Army with quality soldiers. One of the critical elements in that process is proper compensation. As you know, increases in military compensation has lagged behind the increases in the civilian sector since 1982. Currently, the gap is 11.4 percent. FY 91 will mark the ninth consecutive year that the military pay raise is less than the wage growth in the private sector. It is important not to allow that gap to increase further. I am concerned that a further expansion of that gap will begin to impact on our ability to retain the best soldiers. I urge your support for a pay raise that keeps military pay competitive.

Similarly, it is time to consider seriously the inclusion of the military personnel - Army Account within the Foreign Currency Fluctuation Account. Each year, we are faced with the need to reprogram to compensate for the wide unpredictable fluctuations in foreign currencies. This is in addition to the request already pending before your committee.

MILITARY PERSONNEL - ARMY REPROGRAMMING

I recognize that the purpose of this hearing is to discuss FY 91 requirements; however, I ask your indulgence so that I may raise an issue of critical importance to the Army. As a result of the Gramm - Rudman - Hollings Sequestration and other Congressionally mandated cuts, the Army was faced with a shortfall of approximately 554 million dollars. To accommodate this we reduced our force structure by 20,000 soldiers and continued to underman our NCO structure.

There were two other options which the Army's leadership determined to be unacceptable. They were to cut officer and enlisted early release program for the remainder of this fiscal year. The current restrictive language within DOPMA would preclude us from executing any involuntary reductions in the officer corps. The long term impact of such actions on the force in both retention and recruitment, as well as the impact on families, was unacceptable. Therefore, we were faced with a need to seek reprogramming for approximately 232 million dollars.

I am concerned that our reprogramming request may not be acted upon in time. If that were to happen, we would be faced with taking the following drastic measures:

a. Conducting a four month freeze on permanent change of station moves.

b. Requiring a 90 day involuntary early release of enlisted soldiers.

c. Cutting our enlisted force by at least another 20,000 soldiers by breaking enlistment contracts.

d. Freezing all enlisted and officers promotions for the remainder of this fiscal year.

They would have a devastating effect on the Army. They would greatly impact on the lower ranking soldiers and their families. They would disenfranchise those families most in need of support. The long term impact on retention can only be measured by how strongly soldiers and their families feel that the Army has failed to keep faith with them.

Our proposed reprogramming only partially offsets the Sequestration and does not buy back strength reductions.

CONCLUSION

Let me conclude by reinforcing some points.

The Army recognizes that it will get smaller. We have planned for it and we are prepared to execute that plan. We seek the opportunity to conduct that plan in an orderly fashion and to sustain the quality gains we have labored to achieve over the last decade. Today's successes did not come easily. They are the result of a decade of hard work, sacrifices and adequate resources.

Today's Army is the best ever. It is well-trained, well-educated, and capable of performing the strategic missions assigned to it. That capability is based heavily on the high quality of soldiers serving today and the modern equipment and effective training provided. We need to maintain the same level of quality in the future.

As we get smaller, the quality of our soldiers will be the determining factor in our success in meeting our strategic missions. Therefore, recruiting and retaining talented soldiers and civilians - the best the nation has to offer - must continue to be the top priority in the Army of the 1990s and beyond. In today's competitive labor market, the Army must have the incentives and resources to attract and retain the highest caliber men and women. This means that we must provide them not only adequate compensation but also a quality of life that meets the standards of American society.

The conduct of our soldiers during Operation "Just Cause" firmly illustrates the value of that quality and the combat multiplier it provides to the force. Many lives were saved because of the discipline of the American soldier. You should be proud of your Army. Every soldier, male or female served this country with distinction.

The Army needs your support:

First, for timely consideration of the FY 90 MPA Reprogramming, so that we can keep faith with our soldiers and their families.

Second, for DOPMA flexibility so that we may reduce our officer corps in a balanced manner, precluding any major impact on readiness.

Third, for continuation of adequate recruiting incentives and adequate advertising resources.

Fourth, for the funds necessary to maintain our quality of life initiatives, family programs, and morale, welfare and recreation programs at the same tempo.

Fifth, for needed dollars to upgrade the quality of our personnel automation programs.

Sixth, for effective personnel management programs for our officers, civilians, warrant officers, and reserve components.

I appreciate this opportunity to appear before the Committee and shall be happy to answer any questions you may have on Army personnel programs.

Mr. WILSON. Thank you General. Mr. McDade.

EFFECTS OF REPROGRAMMING DENIAL

Mr. McDADE. Thank you very much, Mr. Chairman.

General, we are as always delighted to renew acquaintances with you, to have you here to give us expert testimony. In my experience on the committee, this is undoubtedly the unhappiest moment you have had testifying before the committee in terms of the potential impacts that the denial of the reprogramming would have on the Army. You have made it quite clear that those impacts would be disastrous.

"Hollow Army" is a phrase that we have heard and unfortunately some of us have lived through. You were one of those who lived through it. Do you see a hollow Army again if the reprogramming is not acted upon?

General ONO. I do.

Mr. McDADE. The record doesn't reflect the amount of dollars that you have taken as a part of your effort to get toward solving this problem of the reprogramming. How much of the total amount have you fellows in the Army absorbed to get to where we are today?

General ONO. Four-hundred and seventeen million dollars.

Mr. McDADE. Four-hundred and seventeen million dollars. So we are talking roughly 50 percent of the total amount needed.

General ONO. Sir, more than 50 percent. I see what you mean. The total amount that we were short in the military personnel account was \$649 million, and we made up \$417 million of that, leaving \$232 million left.

Mr. McDADE. Through internal management efforts?

General ONO. Yes. And the major one being that we are reducing our strength this year by over 20,000.

Mr. McDADE. We ought to have the record reflect really that in fiscal year 1990, you reduced troops roughly 20,000—in fiscal year 1991 we are looking at about 16,000, 17,000.

General ONO. Yes, sir.

Mr. McDADE. In the budget and planned for and over the four year period as we listened to General Vuono and the orderly effort to build down the strength we are talking about—

General ONO. It will be 135,000 when we finish in five years.

Mr. McDADE. The key thing here is if this axe falls suddenly, you can't do anything except RIF people, freeze promotions, deny reenlistment efforts, et cetera. You can't manage anything, can you?

General ONO. We cannot because the time is so compressed and the flexibility on what one can do to keep within the budget limits is very, very limited now.

TROOP REDUCTIONS

Mr. DICKS. Will the gentleman yield?

Mr. McDADE. Sure.

Mr. DICKS. We are facing people who are saying the Army has already said they are going to come down 135,000, five divisions over the next several years. What is our best argument to those people who say we ought to get a head start on it right now, do

more in 1990? As somebody who is losing part of the force structure in 1990, I know how painful it is.

What do you do with that argument?

General ONO. Because if you come down too quickly and too fast, Mr. Dicks, you hurt people.

Mr. WILSON. You just have to concentrate on the injustice of it.

General ONO. Correct. We have a quality volunteer Army. This is a very important point. Soldiers volunteer to come in, and unlike other periods when we had demobilization, these soldiers do not want to leave. In other times they were conscripted and when we told them they could leave, they just left, in many cases with great glee, because they were expecting that and they wanted to go home and continue their life at home. In our case, when you have a volunteer force, one that is of quality, one that joined voluntarily and today are not leaving, this becomes a very painful process.

So what we did is that our chief asked us to look at the end state of the Army five years from now, expecting that it was going to get smaller, and that we wanted to have an equally capable Army as we have today, one that is deployable, one that is lethal, one that is versatile, and so we came up with a plan.

It calls for a very steep reduction of 135,000 over five years. Not only was the number important, also in keeping with the strategy of the Army because it needs to have the capability to perform its missions—

Mr. McDADE. For example, General, two divisions that were in this budget for take down of heavy armor are not going to Europe?

General ONO. Yes.

Mr. McDADE. Units that are taken down this year are heavy armor not going to Europe?

General ONO. Yes. So a deliberate process was made. What we attempted to do was to avoid undermanning; this hollow thing that we had a number of years back we wanted to avoid because it is disastrous to have a unit that is short of people. So our plan is such that you would bring your structure as well as your people down in an orderly, balanced way to avoid undermanning.

We also wanted to be sure that we kept our accession flow coming in because if you don't do that, you hurt your future. You look around and try to find the next generation of sergeants and they will not be there because you forgot to recruit them in a year.

We wanted to at the same time retain the best quality that we have. You know that we have some quality soldiers. We need them to become our future leaders and we need to hang onto them not just because of their skills as a leader, but also because of the technical skills that they were trained in and experienced in on the job.

So in order to do all of this you need to do it in a deliberate way and so therefore, when you come down as quickly as a large number within a compressed period of time, you are totally out of control.

FISCAL YEAR 1991 OUTLAY REDUCTION

Mr. McDADE. Let me say as disastrous as it sounds today and it is to me, unless we on this committee get our view to prevail about the fiscal year 1991 budget, where people are folding numbers, take

\$10 billion out in outlays, \$15 billion, one of my colleagues, \$27 billion in outlays—you want to see disaster cubed, to use a military phrase, that will be it.

I am happy to tell you there is a strong effort on the part of this committee and others around to try to get people away from that and understand what would be the consequences of such an action. It would again lay right on the people, no place else to go but those heavy spend out accounts and that means people, doesn't it?

General ONO. Yes, sir.

Mr. McDADE. Say for the sake of discussion, say in a \$10 billion outlay cut, that is the common number, what would be the impacts on the Army if you got that kind of a cut, fiscal year 1991?

General ONO. If we had to take that—

Mr. McDADE. You would get, say, a third, third, third.

General ONO. What would happen is that we would take good career soldiers, good career soldiers, people who had fully intended to stay in the Army and retire, and they will have to be denied completion. We would have to terminate them abruptly.

Mr. McDADE. How many, do you know?

General ONO. Sir, I don't know.

Mr. McDADE. Take a look at it and give us a number.

[The information follows:]

A \$10 billion reduction could translate into a cut of up to \$1.3 billion for the active Army Military Personnel appropriation. A cut of this magnitude in FY 1991 would absolutely break the quality Army. It would be devastating and actually impossible to achieve.

We are making very real reductions right now, and we have more planned through 1995. By the end of FY 1991, we will have inactivated two active divisions and reduced the active Army by about 36,000 soldiers. We currently plan to reduce the Army by about 100,000 more active soldiers by the end of 1994. It will not be business as usual over the next several years.

We felt very strongly that we could not allow the hard-won capabilities, achieved with your substantial assistance during the past decade, and that were demonstrated clearly during Operation Just Cause, to hastily deteriorate.

We have a plan. It allows us to build the Army down over the next five years while maintaining quality and readiness and without unduly penalizing our professional, volunteer soldiers, civilians and their families. We need your support to implement our plan without significant modification.

It is well to remember that a restructuring of this size is already fraught with inherent hardships and uncertainties. As you can imagine, the announcement of our plan to the Army, following so quickly on the heels of last year's sequestration cuts, has caused significant uneasiness in the ranks. We should proceed cautiously.

We believe we have succeeded in achieving our goal of keeping the cumulative impacts of restructuring the force at a manageable level to avoid affecting readiness or unnecessarily adding to an already difficult situation for our personnel.

To go any faster than planned threatens to "fracture the force", unacceptably reducing our readiness and quality, and hence our ability to fulfill our defense tasks, and increasing the hardships and uncertainty for our soldiers and their families. We do not believe it would be prudent to reduce the Army faster than we have planned.

In addition to the unacceptable risks to national security, precipitously reducing the force risks losing exactly the high quality soldiers and civilians that have been so critical to our success and that we are trying to retain. It will also hinder our ability to attract quality soldiers in the future if we do not properly address the professional and personal concerns of our soldiers during this turbulent period.

I would stress that we are not demobilizing a draftee Army at the conclusion of a major conflict. We are reshaping a professional, volunteer force during a period of extraordinary turmoil and instability in the international environment. We need your support to execute our plan.

IMPACT OF REPROGRAMMING DENIAL

Mr. McDADE. I want to run through these numbers. If you don't get relief on the reprogramming and you have to get there on end strength only, is it correct that you would have to involuntarily release enlisted men and women in the number of about 18,700 people?

General ONO. Yes.

Mr. McDADE. Because of the law that doesn't permit you to release so many, your officer corps would be 200?

General ONO. Yes.

Mr. McDADE. So that burden falls on the enlisted. Is it accurate that you would have to reduce accessions by 34,000?

General ONO. Thirty-four thousand or more.

Mr. McDADE. So you are looking at 52,900 people to be cut out of the military?

General ONO. Yes, sir.

Mr. McDADE. If we were to look at the other option, we realize that most of your budget is fixed by law, which can be determined in Washington parlance as an entitlement because you sign up youngsters for a given period of time, you agree to pay them, the statute sets their compensation, so there is very little flexibility there.

If you tried to do it the other way, I am told you could reduce enlisted accessions by about 22,000 people.

General ONO. Yes, sir.

Mr. McDADE. Officer accessions, 200.

General ONO. Yes.

Mr. McDADE. You could freeze promotions with all the impacts that has.

General ONO. Yes, sir, 24,000 people involved.

Mr. McDADE. You could release 18,700, get to a total of 40,009, plus how many involved in freezing promotions?

General ONO. Twenty-four thousand affected by the promotion.

Mr. McDADE. So we would have 65,000 men and women in the Army affected by 1 April?

General ONO. You are correct. And their families.

Mr. McDADE. And their families. The situation you described about families being separated and not being able to plan the school year, et cetera?

General ONO. And the readiness of the Army.

Mr. McDADE. If it goes beyond that, to May, it becomes even more severe, doesn't it?

General ONO. Yes, sir.

Mr. McDADE. So every day that it is not acted upon, the way to deal with it gets more severe?

General ONO. You are correct.

Mr. McDADE. Thank you, General.

Thank you, Mr. Chairman.

Mr. WILSON. Mr. Miller.

RECRUITING AND ADVERTISING

Mr. MILLER. Thank you, Mr. Chairman.

General, a little while ago we had the Navy in and we discussed recruitment and the personnel cutbacks that will take place. If you were present and heard the questions, I will not need to reiterate.

General ONO. I was not in the room, but I expect the question would be as to how it would impact on recruitment; is that correct?

Mr. MILLER. Yes, how it would impact recruitment and advertising. Today the advertising dollar is going out for recruitment for the various Services, and for the budget that we are considering right now, it is a ten percent increase in advertising.

I am trying to put it together from you who have the knowledge as to how the recruitment offices in each branch of the armed forces will be affected when we will have, in the future, the Servicemen coming back, as an example, from Europe. I can envision citizens asking the military, the Congress and the people in the administration who are working to bring the soldiers home, will you level with us? You have the pictures of the people coming back and, at the same time, you have the recruitment offices open trying to get people into the various Services, and they just will not understand.

I am wondering what you have in mind that might help us explain why we should even spend as much on recruitment in this budget as we have in the 1990 budget?

General ONO. That is an important question and I am glad you asked that, Mr. Miller, because it needs to be clarified.

First, the Army is structured so that we have a lot of low-graded enlisted personnel that are part of our units, so we need to keep that flow going and coming into the force. In the United States Army, not all of them stay. They leave, and so therefore that group of soldiers who are a part of our units needs to be replenished.

In addition to that, a number of them do get to reenlist and they become our sergeants of the future. What we are looking for is the quality soldier. We have invested heavily in it with your support, and we do a lot of reenlistment of that group and that is how you can have an Army that could go to Panama as quickly as it did and perform so well.

What we are trying to describe to you, then, is an organization that needs to keep its flow going, and so every year we need a group of enlistees, and that group, Mr. Miller—I know that you would agree—needs to be of high quality, and so the recruiting effort needs to continue.

Mr. MILLER. Would you say the recruiting effort needs to continue at the same rate that it did one year ago?

General ONO. No, sir. The pace is slowing down and our budget has been reduced in real dollars in order to keep up with the lower numbers that we are bringing in. But the numbers that we are bringing in, Mr. Miller, are quality soldiers. That is what we want to concentrate on. It is soldiers that we know are disciplined and bright enough to handle the intricate tasks of being in the Army, in a smaller Army, but yet being productive.

QUALITY OF LIFE

Mr. MILLER. In another area, you speak of the great retention record, and it can be attributed to the significant progress made in

improving the quality of life of our soldiers and their families, and we speak of family housing, modernized hospitals and clinics, and expanding our ability to provide child care and institute programs and dental care.

It seems at the present time there are a lot of dollars going out for this purpose, and the committee can understand why, but I think it would be good to tell the committee whether we are encouraging those single soldiers to go overseas instead of those that have a family, a wife and two, three, four children.

I have heard in the past that this is a great sacrifice that the family would go through in order to serve overseas. But I have also heard from some of the rank and file that they are fighting to go overseas. They want to go overseas. They want their family to go overseas. So where do we stand on this?

General ONO. We accommodate volunteers and at the same time those who are overseas who wish to extend their tours overseas, we allow that and encourage it because it in turn reduces the cost of someone else going over there, for one; and second, we want to keep that soldier happy and that family also. So we do attempt to get the preferences from our soldiers as to where they wish to serve and try to measure and match them together.

There are occasions when we have to order a number of soldiers overseas because their grade and their speciality is needed overseas in order to man these units.

Mr. MILLER. What is the ratio would you say, General, of those that are overseas, who are married compared to those who are single—do we have an equal amount of single men and women overseas as those that are married?

General ONO. Sir, I don't have that information. I would be glad to provide it for the record.

Mr. MILLER. If you would, I would appreciate it.

[The information follows:]

Of the total active force in all overseas commands, fifty-six percent are married.

General ONO. You are making an interesting point that perhaps the singles, because they would have less turbulence on a family, would be perhaps more agreeable to go overseas. I imagine that is the point that you are trying to make.

Mr. MILLER. Very good.

Thank you, General.

Thank you, Mr. Chairman.

Mr. WILSON. Thank you very much, General. I understand the problem. We will have some questions for the record. The committee is adjourned.

General ONO. Thank you.

[CLERK'S NOTE.—Questions submitted by Mr. Dicks and the answers thereto follow:]

IMPACT OF REPROGRAMMING DENIAL

Question. I share the concern of others on this committee with the prospect that the Congress may not approve the service's personnel reprogramming requests. I sincerely hope that an accommodation can be reached that will avoid the very devastating impact that this could have on our service personnel.

If the Army is not provided the relief in the reprogramming actions, how would execution translate to individual units. Would you look at additional force structure adjustments or would you be forced to hollow existing units on a haphazard basis?

Answer. If reprogramming relief is not provided, early out programs would be required which would directly and immediately affect unit manning. The effect, however, would be temporary. Further reductions in accessions would also be required to lower end strengths and must be accompanied with commensurate force structure reductions. Without force structure reductions, hollowness will occur. Additionally, a promotion freeze will reduce the size of the NCO corps which will further reduce unit readiness.

Question. Would force structure adjustments you have already announced be impacted? Would limits on PCS moves limit your flexibility in this area?

Answer. Yes. Reprogramming denial would require increased force structure cuts. Limits on PCS moves will reduce flexibility to implement force structure cuts in a manner that maintains acceptable readiness and is most cost effective.

[CLERK'S NOTE.—End of questions submitted by Mr. Dicks. Questions submitted for the record and the answers thereto follow:]

MILITARY PERSONNEL REPROGRAMMING

Question. The Army proposes to reprogram \$232,000,000 from other sources to fund the military personnel appropriation in fiscal year 1990. In 1990, sequestration reduced this account by \$338,147,000 and the Army was required to absorb \$100,000,000 in entitlements authorized last year.

We are all aware of the controversy concerning the military personnel reprogrammings now before the Congress. There is the perception that the reprogramming is being used to offset the effects of sequestration and/or to restore Congressional reductions.

General Ono, can you assure the Committee that the Army is not trying to restore any Congressional reductions? With the understanding that the Army is reducing end strength, please explain how the \$11,458,000 for subsistence of enlisted personnel does not offset the \$11,000,000 reduction made in subsistence.

Answer. The Army is not trying to restore any Congressional reductions. The \$11,000,000 Congressional cut was for increased absentee rates. The \$11,458,000 reprogramming requirement is a portion of \$139,000,000 requirement to avoid an enlisted 90 day early out release. Including the \$11,458,000 reprogramming increase, the subsistence account is \$31,500,000 below the Congressional mark.

FORCE STRUCTURE

Question. As the force is reduced and as dollars become fewer, how important is recruiting and advertising to the Army?

Answer. Current Army and advertising funding is being resourced at 1984 levels when recruit quality was below Army accession goal standards. Even though Gramm-Rudman-Hollings sequestration has reduced first and second quarter accession missions, it hasn't significantly reduced the quality recruiting mission at all. The recruiter field force still faces numerous quality and demo-

graphic challenges that can only be addressed through adequate advertising resources and strategically positioned advertising messages.

Other significant elements impacting on recruiting and advertising are the shrinking manpower pool of target market youth and inflation, both of which have an adverse cumulative effect on Army advertising and recruiting missions. For example, national media costs have steadily increased an average of 5-8 percent each year and typically run 4-5 percent above the Consumer Price Index. Continued funding at 1984 levels means the Army gets significantly less "bang for its buck" and fewer marketing opportunities to target 18-24 year olds.

According to two recent Rand studies, "Recruiting Effects of Army Advertising" (January 1989) and "The Effects of Military Advertising: Evidence From the Advertising Mix Text" (March 1989), respectively, empirical results show that advertising expenditures in a given month have a significant and immediate effect on the number of high-quality enlistments and should therefore be adequately resourced.

The Rand study (March 1989) cited above suggests that Army advertising is a very effective means of substantially increasing the flow of quality recruits into the service. Put another way, additional advertising increases quality enlistments. The study also stated that these quality recruits do not come at the expense of the other service branches.

Since advertising supports more than just Regular Army enlistment, reduced dollars mean less advertising support for Army specialized programs which promote officer accessions via ROTC, the United States Military Academy, and Officer Candidate School. Less advertising support adversely impacts on nursing, physician, lawyer, chaplain, Special Forces, Warrant Officer, and reenlistment programs, just to name a few.

Additional resource cuts in the face of tough budgetary reductions, compounded by an increasingly difficult recruiting environment, will certainly have a profound effect on the quality of the force we build over the next few years. A loss of advertising clout in the marketplace now will be even more costly to regain in the future.

Question. In your statement, you mention that recruiting improprieties are down and that the Army has directed and continued to implement programs to help combat recruiter stress and to assist families to adjust to the rigors of recruiting life. What programs have been implemented?

Answer. The USAREC Quality of Life Assessment program was expanded for all military personnel to address sponsorship, health benefits, family support groups and Army Community Service Programs. Recruiting Battalion "Welcome Packets" are distributed at the Army Recruiting Course. These packets provide information on housing expenses, recreation facilities and military support available at the new assignment to reduce anxieties of newly assigned personnel. USAREC information packets on "how to survive" away from a military installation are provided to spouses of students at the Basic Recruiting Course. A Health Risk Assessment program has been established at the Recruiting Battalion level to provide in-

formation and counseling on a variety of health related subjects for recruiting personnel. Allowances for membership to physical fitness facilities are available to recruiters where necessary. A test of the "Guaranteed Deposit Program" is being implemented for the Los Angeles Recruiting Battalion to provide relief from the requirement for large security deposits. We are attempting to expand this program to other high cost areas. Spouse forums are held by Inspector General personnel during scheduled inspections at Recruiting Battalions to provide spouses the opportunity to voice their concerns on a wide variety of issues. A curriculum review of all recruiter courses was completed in January 1990. Changes included increased sales preparation and leader training to enhance recruiter success. A block on Quality of Life Information will be standard in all classes. An instructor screening board was implemented to tighten the recruiter selection process. Increased training and assistance during Enlistment Standards Inspections is being provided to ensure the validity of the Recruiting Enlistment Process. Special merit promotions are authorized to Sergeant First Class and Staff Sergeant positions based on outstanding production accomplishments. The "Detailed Recruiter Assignment Preference Program" is available to "Superstars" in obtaining a preferred assignment request following their recruiting tour. An assignment of choice program is available for detailed recruiters who want to convert to career recruiter status. Facsimile capabilities have been increased and provided to selected recruiting facilities to reduce "windshield time". There are numerous other initiatives in progress to improve recruiter quality of life.

RESERVE FORCES

Question. General Ono, if, as discussions seem to indicate, active force levels are reduced, how important is it to maintain a strong reserve force?

Answer. As active force levels are reduced, it is more important than ever to maintain a strong reserve as a repository for the many skills required upon mobilization. Past experience with demobilizations has shown the reserve components to be a valuable asset not only for keeping trained personnel in uniform but also for easing the soldier's transition from military to civilian employment. The total army concept has required an almost total commitment of reserve forces, while active and reserve forces were at high end strength levels. The size and number of theater forces and the skills required will determine just how large a force is needed. Generally speaking, in order to maintain total force capability, the smaller the active force the larger the requirements for reserve forces. The total capability required is a function of national strategy and threat.

Question. As Deputy Chief of Staff for Personnel, what is your role in making decisions which affect the Army Reserve and Army National Guard?

Do you take their roles and missions into consideration as you make recommendations concerning the active force?

Do you believe that the reserve components should be reduced at the same rate as the active force? Why? Why not?

Have you participated in the DoD study on Total Force Mix requested in section 1101 of the FY 1990 National Authorization Act?

Answer. As the Deputy Chief of Staff for Personnel, I am directly involved in all decisions which impact on recruiting, accessing, maintaining and the separation of personnel needed to staff the Total Army. While the specific decisions on the force and organizational requirements are made by the Deputy Chief of Staff for Operations, actions that impact on the soldiers and their families are addressed jointly by myself and the leadership of the Army Reserve and Army National Guard.

Since a significant portion of the support structure needed for the Total Army is today in the Reserve Components, taking into consideration the roles and missions of the Reserve Components is an integral part of making any personnel decision that impacts on combat readiness.

The decision of programmatic reductions to be taken as part of the draw down of the military will be based on force structure changes mandated by the need to meet strategic requirements. No formal decisions have been made on the specific reductions to be taken by either the active or Reserve Components. As I stated earlier, with a significant portion of our support base in the Reserve Components, any reduction must take into account the ability to provide such support when needed.

While I have not personally participated in the Total Force Mix study, my staff has been actively involved in assisting both the Deputy Chief of Staff for Operations and the Reserve Components in assessing the personnel impacts as they determine what is the proper mix of the Total Army.

Question. The Committee understands that the concept of "reverse roundout" is being considered. In this concept, a division would consist of one brigade of active and two brigades of reserves. What is your opinion of this concept? Would it be feasible, cost-effective?

Answer. The concept of "reverse roundout" is being considered as an option for future force structure changes. The present thinking has a reverse roundout division consisting of approximately four thousand active soldiers and eleven thousand from the reserve component. The structure would place the Division Support Command, Division Artillery, Aviation Brigade, and two maneuver brigades in the reserve component. One maneuver brigade would be in the active component. In this configuration the reserve component would have most of the structure it normally does well, in, e.g., Aviation, Artillery, Engineers, and Military Police. The active component brigade would serve as the primary training vehicle upon mobilization. The division would have one brigade ready to deploy immediately for contingency operations. In my opinion, the concept of a "reverse roundout" is both feasible and cost-effective.

Question. Have you or your office been involved in the study being conducted in Headquarters, Army concerning the command structure of the Army Reserve? To what degree are you involved?

Do you believe that the Chief of Army Reserve should have command authority over his reserve forces?

Answer. Yes, my staff has been actively involved in the study concerning the command structure of the Army Reserve. Members

of my staff have participated in the CSA's blue ribbon panel which completed a thorough study on the Army Reserve Command and Control Issue. That study and its findings are being analyzed. Additionally, my Mobilization Division is actively involved in the coordination of all actions that impact on the Reserve Components.

The decision on what command structure will best support the needs of the Total Army has not yet been decided. Command authority should be decided based on the need to meet the strategic requirements of the Total force. The analysis is not yet complete, therefore, it would be premature and imprudent to comment on the command structure until all information is in.

END STRENGTH

Question. The Committee understands that there is a request for changes to the DOPMA (Defense Officer Personnel Management Act) legislation allowing the Army to have some flexibility in reducing the officer force. In your statement, you mention that if this legislative relief is not approved, officers can only be reduced by accessions or by selectively retiring early colonels and lieutenant colonels. As the force begins to draw down, how important is passage of this legislation?

Answer. Available reduction programs under existing statute are insufficient to both reduce and shape the officer corps in a prudent manner.

Within limitations of current law, reductions could be made to meet lower end strength in the aggregate by reducing accessions to a level below that required to man the force and conducting a Reduction-in-Force (RIF) of Other than Regular Army Officers. However, use of these limited management "tools" will have long-term negative impact on the force with recovery not possible until well into the distant future—possibly twenty years or more. Experience levels would suffer severely, the overall health of the officer corps would be extremely poor, and readiness could not be assured.

Implementation of required reductions without increased management flexibility would be irresponsible.

Younger Other than Regular Army Officers with less than twelve years of service would be required to "pay the bill" to retain both Regular Army company grade officers and older, possibly less productive, senior officers. Thus, the best officers would not be retained because the projected overstrength year groups are approximately 69% Regular—"protected" under current stature.

Career progression, promotion opportunity, and promotion points would move even further away from DOPMA goals.

Minority and female company grade officers would bear a disproportionate share of the reductions.

Combat and Combat Service Support Officers would be reduced to levels that could not support assigned missions.

Reductions could not be targeted to oversize year groups, thus increasing shortages in other year groups to acceptable levels.

Reductions would result in the involuntary separation of officers who have clearly demonstrated that their retention is in the best interests of the Army and the Nation at-large.

A reduction of accessions below currently programmed levels is the "easy way out," would not support the future force, and will have a long-term negative impact on the officer corps.

Approval of the proposed legislation will open up more release values across the career management spectrum, thus enabling a balanced reduction and realignment of inventories—with proper consideration to the right mix by grade, specialty and branch, year group and competitive category.

Reductions must be implemented across all grades. No one segment should be protected if a viable and ready officer corps is to be maintained.

Expanded authority to selectively early retire a greater number of lieutenant colonels and colonels than that now possible under current law would permit eligible field grade officers to be retired at a rate that proportionally keeps pace with the actual reduction in the field grade authorizations—a result of the reduction in overall officer strength.

The voluntary provisions of the proposed legislation will permit required reductions to be implemented in a manner that will, to the maximum extent possible, minimize the negative impact on officers and their families.

With the increased management flexibility that would be available if the proposed legislation is approved, we can implement the reductions in a manner that maximizes readiness, minimizes negative impact on those now serving, and best postures the Army to face the challenges of the 1990's and beyond.

The proposed legislation is needed now if we are to manage the reduction and not simply slash our valuable personnel resource, and ensure that the Army remains ready to ensure our Nation's security.

Question. What impact would there be on flag officer personnel if this legislation relief is provided? Not provided?

Answer. Our legislative package was not designed to address general officer issues. It will not directly impact on them, nor will any of the separation flexibility be used to reduce the number of general officers in the Army. However, if the time in grade provision is provided, it would apply to all officers regardless of rank.

Question. I understand the Army has a shortage of NCOs? What impact will a reduced Army have on this shortage?

Answer. The Army goal is to have NCO inventory equal demand by grade. Even though the Army is reducing its demand for NCOs by cutting structure, the NCO inventory is also being reduced. Budget constraints are causing the Army to be short approximately 7,500 NCOs in FY 1990 and 5,700 NCOs in FY 1991. NCO shortages result in reduced personnel readiness. This is especially true during a time of changing structure. Sufficient funds should be made available to have enough NCOs to meet its new demand.

Question. The Committee further understands that the Department is working on legislation to provide severance pay for enlisted personnel who are involuntarily separated. What is your opinion on the need to compensate a service member who planned to make the service a career and then is involuntarily separated?

What qualifications would you make on the use of severance pay? For example, would it be targeted?

Is severance pay currently being provided to officer personnel? Under what conditions?

As the force begins to draw down even lower, how important is passage of this legislation? When will it be submitted?

Answer. Separation pay is needed as a contingency payment for a career committed soldier who is involuntarily separated. This payment is designed to help ease the soldier's reentry into civilian life when he is denied a full military career. Separation pay should be targeted to involuntarily separated soldiers who have demonstrated career commitment. We believe that completion of eight years of service demonstrates career commitment. This equates to the completion of about two enlistment terms for most enlisted soldiers. Separation pay is currently authorized for officers and reserve enlisted personnel who have completed five or more, but less than 20 years of active service. The soldier's separation from active duty must be involuntary, or the soldier must not be accepted for an additional tour of duty for which he volunteered. The service secretary has discretion to determine if the conditions under which a soldier is discharged or separated warrant separation pay, and can limit pay to one-half of entitlement. The need for separation pay for regular enlisted soldiers is becoming more acute. Forthcoming manpower reductions suggest that those serving in the military could be denied a full career with greater frequency than in the past. Separation pay is needed to assist these involuntarily separated soldiers transition to civilian careers. A DOD proposal on separation pay is currently being staffed with each of the services and is expected to be submitted to Congress in April 1990.

MILITARY PAY

Question. The statement is made that even after the military pay raise of 3.6 percent in January 1990, there is still a gap of 11.4 percent from the civilian community. By civilian community, I assume you mean the civilian business sector and not civilians employed by the Federal Government. Is that correct?

Answer. No, the figure includes civilian business sector as well as State, local, and Federal civilian work force.

Question. In this comparison (Pay Comparability Gap), are you using Basic Pay or the figures contained in the Regular Military Compensation chart? (Note: Regular Military Compensation (RMC) figures show only average compensation for all service members by pay grade and years of service. The figures include Basic Pay, Basic Allowance for Quarters, Basic Allowance for Subsistence, average Variable Housing Allowance and the assumed tax savings on the allowances. Bonuses, incentives or special pays are not included.)

Answer. Regular Military Compensation.

Question. According to an article in the Navy Times, when the RMC figures are used, the total value of military pay rose an average of 4.2 percent instead of the 3.6 percent usually stated. Do you agree with that statement?

Answer. While I do not know how the figures were derived, I believe that it is probably true when one considers the tax advantage of the 3.6 percent increase in the tax-exempt allowances of BAQ, BAS, and VHA.

Question. Do you believe the service member would rather receive one higher dollar amount each month with less entitlements instead of the way he or she is being paid today (i.e., Basic Pay plus tax-free allowances, incentives, bonuses)? Why?

Answer. Answer varies with income. Soldiers with lower income, fewer number of dependents would prefer greater take home pay, i.e., more dollars. Soldiers with higher incomes, larger families would prefer increased benefits, i.e., they recognize a greater need for benefits.

ENTITLEMENTS

Question. Entitlements, which consist of pay, allowances, and incentives are approximately 94 percent of the budget request for military personnel. How does this fact impact on the Army's ability to absorb dollar reductions? To reduce end strength?

Answer. Given the fact that over 94 percent of the MPA budget is non-discretionary; the ability to absorb budget reductions can only be affected by implementing such actions as end strength cuts, promotions slowdowns, and early-outs. Even when a decision is made to decrease end strength, there is not an immediate impact on the budget. This is because end strength reductions are managed primarily by decreasing accessions in an effort to protect readiness and to avoid the add-on cost of separations. Generally, only about one-half of an end strength reduction results in savings in the first year.

Question. Some of the entitlements came about to remedy a shortfall of one sort or another. Has the Army considered reevaluating its entitlement programs to eliminate ones which are no longer required or cost effective?

Answer. Incentives, such as enlistment and reenlistment bonuses, are carefully monitored. Enlistment and reenlistment bonuses are always targeted at specialties with current or projected career management shortages. These programs are reviewed quarterly to realign resources with career shortages.

Question. Once an entitlement has been provided, it can never be changed without someone stating that the Army has broken its contract. Therefore, any changes to be proposed would probably have to contain a grandfather clause. As funds become tighter and as the force becomes smaller, has the Army studied whether entitlements should be changed for new accessions? (For example: require the new service member to pay toward his retirement and/or health care.) Should it?

Answer. Every four years the Quadrennial Review of Military Compensation conducts a comprehensive review of the military compensation system. The current compensation package is a result of these reviews and has proven itself successful in attracting highly qualified soldiers. In order to continue to attract and maintain our quality force, we do not envision any significant changes in the military compensation system. However, the next Quadrennial Review of military compensation is scheduled to convene this fall (Nov-Dec) at which time, all military entitlements will again be reviewed and analyzed for any needed changes.

INCENTIVE PAY

Question. Incentive pay is paid for personnel encountering hazardous duty, such as flight (aviator and crew member), parachute, high altitude low opening, jump pay, demolition of explosives, experimental stress, toxic pesticides exposure, dangerous viruses exposure, and chemical munitions.

The Committee understands that aircraft mechanics, as well as pilots are being recruited by the commercial airlines. Does the Army have a problem retaining aircraft mechanics? Is there an incentive program to encourage these personnel to stay in the Army?

Answer. Our aircraft are primarily rotary wing as opposed to fixed wing. Commercial airlines, of course, are primarily fixed wing. We do have some concerns about mechanics for some types of aircraft but generally do not have an unmanageable problem. Our Selective Reenlistment Bonus program does target some aviation mechanic MOS, such as Apache and Black Hawk, to support modernization.

SPECIAL PAY

Question. Special pay is for personnel in occupations which are in short supply, such as physicians, dentists, nurses, optometrists, veterinarians, diving duty, sea duty, and foreign languages. In addition, there is a personal allowance for general officers.

Congress has appropriated funds for several initiatives in FY 1990 in an effort to promote enlistment and retention of qualified medical personnel. Have these incentives proven beneficial?

Answer. Special pay for health care professionals has proven to be a multifaceted and complex response to a total Army problem. New active component special pay initiatives in FY 1990 include a Nurse Accession Bonus, an Incentive Pay for Nurse Anesthetists, and a Diplomate Pay for Clinical Psychologists. Several existing special pays for military physicians were increased or extended. The annual amounts for Variable Incentive Pay, Board Certification Pay, and Multiple Additional Special Pay were increased. The Medical Officer Retention Bonus (MORB), which was originally enacted as a transition pay plan for FY 1989 only, was expanded and extended through FY 1990.

The Financial Assistance Program (FAP), a physician recruiting and retention program enacted by Congress in FY 1990, is an extension of the Armed Forces Health Professionals Scholarship Program. It includes an annual grant and a monthly stipend, and is targeted to graduate physicians in resident programs for specialties designated as critically short. The new special pays, the increases in existing special pays, and the FAP are in their execution phase. It is, therefore, too early for any meaningful evaluation of these programs.

However, special pay and recruiting/retention related programs enacted and executed FY 1989 or earlier have matured to the point where they may be evaluated. The initial analysis of the FY 1989 MORB indicates an increase in physician retention with 51 percent (959/1880) of those eligible for the MORB executing multi-year contracts of two, three, or four years in duration. Of those physicians who executed MORB contracts, 79 percent opted for four years.

The MORB is believed to have directly contributed to a modest upturn in physician retention.

The Army is experiencing a success story in its health professional recruiting in the Active and Reserve components for physicians and the Reserve component for nurses. Increases in the physician and nurse budgeted end strength (BES) have complemented the successes in physician and nurse recruiting. Retention, however, continues to be a problem in selected specialties across all components.

Accessions in the active component Medical Corps increased from 500 in FY 1986 to 566 in FY 1989. Between FY 1986 and FY 1989, the active component BES for physicians increased from 5,349 to 5,363, and for nurses from 4,502 to 4,576. Even with these successes, the Army was, in the active force, unable to meet its FY 1989 recruiting mission for the Dental Corps, and is projecting a shortage status in FY 1990 and beyond in several specialties in the active component to include nursing, dentistry, selected physician specialties, optometry, pharmacy, clinical psychology, laboratory sciences, physical therapy, and occupational therapy.

Accessions in the Reserve component Medical Corps increased from 553 in FY 1986 to 736 in FY 1989 (41.8 percent increase); and Nurse Corps accessions increased from 1153 in FY 1986 to 1600 in FY 1989 (38.8 percent increase). The recruiting gains have been due, in part, to the Reserve incentives, including the Health Professionals Loan Repayment Program and the Specialized Training Assistance Program. During the same time frame, the Reserve component end strength for physicians increased from 5,776 to 7,429 (28.6 percent, while the end strength for nurses increased from 9,460 to 13,100 (38.6 percent). The majority of the increases have been in the specialties critically needed in war time (e.g. anesthesiology, general surgery, and orthopedic surgery for physicians; and nurse anesthesia, operating room nurse, and medical-surgical nurse for nurses). The surgically related specialists are by far the most difficult to recruit and retain in the reserves. Unfortunately, these critical specialties continue to be in short supply with the Army falling short of its Program Objective Memorandum (POM) requirements.

In summary, the special pay incentives enacted in FY 1989 and earlier are believed to be buying the Army critically needed physician and nurse specialties; the Army continues to be short in several health professional specialties; and the special pay and related recruiting/retention initiatives enacted in FY 1990 are too new to evaluate at this time. The Army, therefore, supports,

a. continuing special pay and other recruiting and retention incentives for health professionals at current levels, and

b. expanding recruiting and retention incentives for selected health professionals if the Army is unable to meet its needs for critical health professionals.

Question. Have these incentives "trickled down" to the enlisted ranks? If not, when? Should it?

Answer. Not yet. The only critical shortfall the Army is currently experiencing is in practical nurses in the reserves. Due to the recent change in recruiting responsibility the Army is unable to attribute the enlisted shortfall to a lack of special pay. The Army

will concentrate first on the recruiting mission, and recruiting and educational initiatives, before pursuing special pays.

Question. Diving Duty Pay is increasing this fiscal year. Why?

Answer. The increase in Diving Duty Pay from FY 1989 to FY 1990 is due to:

a. Increased Special Operations requirements for Officer and Enlisted Personnel.

b. New requirements include Medical Diving Officers, Master Divers (E-8), Diving Medical Technicians and Emergency Treatment Non-Commissioned Officers (MOS 91B).

ARMY COLLEGE FUND

Question. The Army College Fund was limited to members in the combat arms skills. Last year, Congress provided authority for the Army to conduct a 15-month test of the cost-effectiveness of using this fund as a recruiting incentive involving 19 non-combat arms skills in short supply. What are the initial reaction of this test? Is it working? Is it cost-effective?

Answer. The interim results of the Army College Fund Plus test are favorable. The follow-on Reserve obligation should reduce training costs for the reserves and provide them high quality, trained soldiers. Also, a significant number of soldiers have demonstrated willingness to commit to the follow-on Reserve obligation (3,800 through February 26, 1990). Another positive note is that the Army College Fund Plus enlistment option has not caused a large exodus from larger terms of service or from combat skills.

Question. This test expires at the end of fiscal year 1990. Are there any funds included in the fiscal year 1991 budget to continue this particular program?

Answer. No sir, the Army has not budgeted specifically for Army College Fund Plus takers in the out years; however, the Army can support the continuation of this test program in the current Army College Fund Budget projections. The Army budget does not include an Army College Fund cost in fiscal year 1990 because Congress directed outlays to come from the DOD Education Benefits Fund (Trust Fund). Congress took this action because the Army has overpaid that fund by \$116 million. The Army anticipates the Congressional Appropriations Committee to direct the same method of funding in fiscal year 1991.

CLOTHING/SUBSISTENCE

Question. Last year, Congress directed the Army to use \$6,000,000 from its operation and maintenance account to procure and issue cold-wet weather boots to troops stationed at cold weather locations. Will these boots be issued before the end of the fiscal year?

Answer. The Army has evaluated thirty-five commercially available boots, narrowed the candidates to four, will finish testing in Alaska in May and make final selection in July. Technical data packages will be prepositioned with Defense Personnel Support Center pending final outcome. The funds will be obligated in FY 1990. Procurement will be expedited using a commercial product descrip-

tion in August to allow the issue of cold-wet boots in winter 1990-1991.

Question. Explain the increase requested for a surcharge on clothing.

Answer. The Office of the Secretary of Defense implemented a Defense Management Review Decision on all services. The decision transfers Defense Logistics Agency's operating costs to the Stock Fund. Those costs are passed from the Stock Fund to consumers of all services via a surcharge. Result is a surcharge on clothing, to absorb the Defense Logistics Agency's operating costs.

Question. The budget proposes to transfer \$298,732,000 to the Operation and Maintenance account for subsistence-in-kind?

Answer. Yes, the budget proposes to transfer subsistence-in-kind to the Operation and Maintenance account. However, the amount transferred for FY 1991 is \$333,100,000. \$298,732,000 is the FY 1990 funding level.

Question. Why is this being done?

Answer. The transfer of the subsistence-in-kind program was made on the basis that it is an operating cost to support military personnel assigned at base level.

Question. Do you agree with this decision?

Answer. Yes.

Question. Are there any other operating costs in the military personnel appropriation that could be transferred to operation and maintenance?

Answer. We believe the items remaining in the Military Personnel appropriation are appropriate personnel costs.

[CLERK'S NOTE.—End of questions submitted for the record.]

THURSDAY, MARCH 8, 1990.

**MILITARY MANPOWER—DEPARTMENT OF THE NAVY AND
U.S. MARINE CORPS**

WITNESSES

**VICE ADM. J.M. BOORDA, USN, DEPUTY CHIEF OF NAVAL OPERATIONS,
MANPOWER, PERSONNEL, AND TRAINING, AND CHIEF, NAVAL PERSON-
NEL**

**LT. GEN. NORMAN H. SMITH, USMC, DEPUTY CHIEF OF STAFF FOR MAN-
POWER AND RESERVE AFFAIRS**

INTRODUCTION

Mr. WILSON. The Committee will come to order. This morning, we will hear testimony from Vice Admiral Jeremy M. Boorda, U.S. Navy Deputy Chief of Naval Operations (Manpower, Personnel and Training), and Lieutenant General Norman H. Smith, U.S. Marine Corps, Deputy Chief of Staff for Manpower and Reserve Affairs.

The fiscal year 1991 budget request for Military Personnel, Navy is \$19,363,100,000 and supports an end strength of 584,800. The fiscal year 1991 budget request for Military Personnel, Marine Corps is \$5,918,600,000 and supports an end strength of 196,500.

Gentleman, we welcome you. Your prepared statements will be made a part of the record. General Smith would you please summarize it at this time.

SUMMARY STATEMENT OF GENERAL SMITH

General SMITH. Mr. Chairman, I am delighted to be here this morning and discuss Marine Corps manpower and our resource requirements as contained in the President's budget for fiscal year 1991.

Our manpower resources remain the key to the success of your Marine Corps. Smart, well trained, and well cared for Marines are essential for the accomplishment of our missions. To this end, I am dedicated to the careful management of this force through sensible plans which reflect fiscal realities and address actual requirements while preserving the quality we have built over time with your strong support. I believe our fiscal year 1991 request represents a balanced manpower program which asks for what we need and no more.

Before answering your questions, I must tell you that I am extremely concerned over the current situation with regards to reprogramming in fiscal year 1990. Inability to reprogram for the Marine Corps' \$85.7 million share of sequestration will eliminate the progress we have made in our manpower programs. We have already absorbed \$22.4 million in unfunded increases in entitlements authorized by Congress for fiscal year 1990. We did this

(31)

through a variety of actions, including a voluntary early release program currently underway.

We have no flexibility left in the manpower accounts. Absorption of the \$85.7 million in fiscal year 1990 will require demanding personnel actions which would have major, long-term impacts on the quality and readiness of our Corps. These actions include reduced officer and enlisted accessions, involuntary early releases into fiscal year 1991, termination of the selective reenlistment bonus program, and suspension of permanent change of station moves. Complete disruption of proper force management policies would result. Breaking faith with our Marines, and subsequent negative perceptions, will have the unintended effect of driving even more Marines from our ranks. Our commitments will not be reduced with our end strength. Fewer Marines will be forced to bear a bigger burden. We urge your continued support in approving the required reprogramming.

Thank you. I am prepared to answer your questions.

[The statement of General Smith follows:]

NOT FOR PUBLICATION UNTIL RELEASED BY
THE COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

STATEMENT OF
LIEUTENANT GENERAL NORMAN H. SMITH
UNITED STATES MARINE CORPS
DEPUTY CHIEF OF STAFF FOR MANPOWER AND RESERVE AFFAIRS
BEFORE THE
SUBCOMMITTEE ON DEFENSE
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES
CONCERNING
MARINE CORPS MILITARY PERSONNEL
8 MARCH 1990

NOT FOR PUBLICATION UNTIL RELEASED BY
THE COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES



UNITED STATES MARINE CORPS

DIVISION OF PUBLIC AFFAIRS • HEADQUARTERS MARINE CORPS
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LIEUTENANT GENERAL NORMAN H. SMITH, USMC

Norman H. Smith is the Deputy Chief of Staff for Manpower and Reserve Affairs, Headquarters Marine Corps, Washington, D.C.

General Smith was born March 28, 1933 in Bucyrus, Ohio. He received his B.S. degree in Physical Education in June 1955 from the University of Arkansas and was commissioned a second lieutenant through the Marine Corps Officers Candidate Course in December 1955. He also holds an M.S. degree in Physical Education (Physiology) from The Ohio State University (1969).

Upon completion of The Basic School at Quantico, Va., General Smith reported to the 2d Infantry Training Regiment, Marine Corps Base, Camp Pendleton, Calif., and later to the 2d Battalion, 1st Marines, 1st Marine Division, where he served as a Company Executive Officer and Commander of Company H. Following a tour of duty as Executive Officer, Marine Detachment, USS HANCOCK (CVA-19) in 1958 and 1959, he reported to the U.S. Naval Base, Roosevelt Roads, Puerto Rico, for duty as Guard Officer, and later, Executive Officer. He was promoted to captain in June 1961.

In November 1962, he was assigned to the 2d Marine Division, Camp Lejeune, N.C., where he served as Commander, Company C, 1st Battalion, 6th Marines, and then as Assistant Battalion Operations Officer. In July 1965, General Smith reported to the Military Assistance Command in Vietnam, for duty as Senior Advisor to the 3d Battalion, 3d Regiment, 1st ARVN Division, located north of Hue.

Returning to the U.S. in June 1966, he was assigned to the NROTC Unit, The Ohio State University, Columbus, Ohio, where he served as Marine Officer Instructor until 1969. He was promoted to major on July 1, 1966. Following a short tour in the 5th Marine Division, Camp Pendleton, as Assistant Operations Officer, G-3, he returned to Southeast Asia in July 1970 for duty as Assistant Operations Officer, G-3, 1st Marine Division, and later as Executive Officer, 3d Battalion, 1st Marines. Upon redeployment to the U.S., he became the Battalion's Commanding Officer.

In 1971-72, General Smith attended the Marine Corps Command and Staff College at Quantico, Va., graduating with honors. From 1972-1973, he served as Assistant Director, Marine Corps Physical Fitness Academy at Quantico, where he was promoted to lieutenant colonel on July 1, 1972. The following month, he transferred to Cleveland, Ohio for duty as Inspector-Instructor, 3d Battalion, 25th Marines, 4th Marine Division, USMCR. In August 1975, he became a member of the bicentennial class of the Air War College, Maxwell Air Force Base, Montgomery, Alabama, graduating with distinction.

Following graduation in July 1976, General Smith reported to Headquarters Marine Corps, Washington, D.C., where he performed the duties of Action Officer, Service Planner, and Deputy Director of Plans Division, Plans and Policies Department. While serving in this assignment he was promoted to colonel on July 1, 1978.

Following his assignment at Headquarters, he assumed the duties as Fleet Marine Officer on the Staff of Commander, U.S. Sixth Fleet, aboard USS PUGET SOUND, Gaeta, Italy. While serving in this capacity, he was selected in February 1982 for promotion to brigadier general. On June 23, 1982, he was assigned duty as the Assistant Division Commander, 2d Marine Division, FMF, Atlantic, Camp Lejeune, N.C., and promoted to brigadier general on August 1, 1982.

During the period June 10, 1983 to June 20, 1984, General Smith was the Commanding General, Landing Force Training Command, Atlantic/Commanding General, 4th Marine Amphibious Brigade, NAB, Little Creek, Norfolk, Va. On June 2, 1984, he became the first Marine general assigned to a NATO staff when he assumed the duties of Assistant Chief of Staff for Operations at Headquarters, Allied Forces North, in Oslo, Norway. General Smith was advanced to major general on July 24, 1985. He was assigned the duties as Director, Plans and Policy Directorate, USCINCLANT, Norfolk, Va. on Sept. 1, 1985. On Sept. 10, 1987 General Smith was assigned duty as the Commanding General, III MEF/Commanding General, 3d Marine Division, FMF, Pacific and Commander, Marine Corps Bases, Japan. He was promoted to the grade of lieutenant general on May 24, 1989, with a date of rank of May 18, 1989. He assumed his current assignment on Nov. 1, 1989.

His decorations and awards include: the Defense Superior Service Medal; Legion of Merit with gold star in lieu of a second award; Bronze Star Medal with Combat "V" and gold star in lieu of a second award; the Combat Action Ribbon; Navy Unit Citation; Meritorious Unit Citation; Air Force Outstanding Unit Award; National Defense Service Medal; Armed Forces Expeditionary Medal with bronze star; Vietnam Service Medal with four bronze stars; the Sea Service Deployment Ribbon; Overseas Service Ribbon; Vietnamese Cross of Gallantry with silver star; the Vietnamese Staff Service Honor Medal; Republic of Vietnam Meritorious Unit Citation (Gallantry Cross); Republic of Vietnam Meritorious Unit Citation (Civic Action); and the Republic of Vietnam Campaign Medal.

Lieutenant General Smith and his wife, the former Marcia Phillips of Fort Smith, Arkansas, have a son, Bret, and a daughter, Lisa.

(Revised Nov. 1, 1989 HQMC)

Mr. Chairman, distinguished members of the subcommittee:

I am honored to appear before you to discuss Marine Corps Manpower and our resource requirements as displayed in the President's Budget for fiscal year 1991.

I believe the significant changes in the world reemphasize the need for strong maritime forces. These same maritime forces are, in part, responsible for the political conditions now existing. The requirement for a credible power projection capability from the sea exists regardless of events in Eastern Europe and the Soviet Union. Our end strength request of 196,500 in fiscal year 1991 supports this strategy.

Manpower resources are critical to the success of your Marine Corps. Smart, well-trained and motivated Marines are the key to a viable Corps. With the resources Congress has provided, Marine Corps manpower programs have been successful in recruiting, retaining, developing and taking care of quality Marines.

Before discussing our fiscal year 1991 request, I must tell you that I am extremely concerned over current discussions of reprogramming in fiscal year 1990. Inability to reprogram for the Marine Corps' \$85.7M share of sequestration will eliminate the progress we have made in our manpower programs. We have already absorbed \$22.4M in unfunded increases in entitlements authorized by Congress for fiscal year 1990. We did this through a variety of actions, including a voluntary early release program currently underway.

We have no flexibility left in the manpower accounts. Absorption of the \$85.7M in fiscal year 1990 will require draconian personnel actions which would have major, long term impacts on the quality and readiness of our Corps. These actions include reduced officer and enlisted accessions, involuntary early releases into fiscal year 1991, termination of the Selective Reenlistment Bonus Program and suspension of permanent change of station moves. Complete disruption of proper force management policies would result. Breaking faith with our Marines, and subsequent negative perceptions, will have the unintended effect of driving even more Marines from our ranks. Our commitments will not be reduced with our end strength. Fewer Marines will be forced to bear a bigger burden. We strongly request your support in approving the required reprogramming. I would like to now turn to a discussion of our manpower programs for fiscal year 1991.

TOTAL FORCE

Marine Corps missions and responsibilities span the entire spectrum of conflict. We plan for and manage our manpower resources accordingly. As the Deputy Chief of Staff for Manpower and Reserve Affairs, I am responsible for managing manpower

programs for all the elements of the Total Force. Total force integration and the effective use of active, reserve, civilian and retiree assets are increasingly important in a period of declining resources. I will discuss each of these elements in turn.

Enlisted Marines

There is a direct link between readiness and the caliber of our Marines. We intend to work aggressively towards protecting the quality of our force. The indicators in Figure 1 below, show the dramatic improvements in Total Force quality over the last decade.

Quality Review

	FY80	FY81	FY82	FY83	FY84	FY85	FY86	FY87	FY88	FY89
HSBC	77.6	80.7	85.7	92.1	95.5	96.8	97.7	98.2	95.7*	95.5
Accessed (X)										
AFQT Category										
I-III A	59.4	57.8	60.0	63.3	61.9	55.8	64.2	68.7	69.3	68.8
Accessed (X)										

Unauthorized Absence: Decreased by 68% since FY80
Desertion: Decreased by 69% since FY80

* Beginning in FY88, education data reflects use of the 8th Tier System. This redefinition of what constitutes a high school graduate caused a drop in the percentage accessed. Under the previous definition, 98.6% would be considered high school graduates.

Figure 1

Continued emphasis on recruiting high school graduates is the key to success. They are much more likely to complete their term of enlistment. Significantly lower unauthorized absence, desertion and discipline rates demonstrate the dividends that quality brings. Our success at recruiting from the upper three mental groups has led to Marines who are more responsive to training and who demonstrate a greater capacity to learn how to operate the more complex weapons systems of today. We are keeping these first rate Marines for longer periods of time and realizing the benefits in reduced training costs.

Emphasis on thorough training of our Marines reaps large benefits. The focus of this training is on warfighting skills. Marine Battle Skills Training (MBST) remains the most important training program in the Marine Corps. It is a comprehensive, progressive program that provides individual and collective training in combat skills throughout a Marine's career.

The key to the success of MBST is ensuring an even flow of Marines through our training pipeline. We accomplish this with a level-load policy which provides a uniform flow of recruits to our depots and schools. This policy is also important in the

efficient planning for school seats at other Service schools where 30 percent of our Marines are trained. Spreading recruit input evenly throughout the year reduces the need for a summer surge capability in instructors and cuts awaiting training time for students. This prevents unnecessary increases to training overhead and produces more uniform readiness throughout the year.

Our goal continues to be to provide the right Marines in grades and skills with appropriate levels of experience in order to properly man the force. Marines remain in their units for longer periods of time to enable the commander to maintain unit cohesion. In addition, we seek to ensure career equitability. We have been aided in this effort by a comprehensive set of enlisted career force controls. Fully implemented in October 1988, these controls work to balance the career force inventory with the grade and skill requirements of our structure. A key element of these controls is the fact that we will only reenlist a first term Marine into a balanced or short MOS.

We need all the tools available to us in managing our enlisted force. In this regard, we need your continued support for the Enlistment Bonus Program (EB). The program is used to attract quality young men and women to technical skills that have high training costs. It is also used for hard-to-fill skills which do not normally attract the required number of recruits.

Retention of our quality Marines is critical. We need your support for reenlistment incentives. Selective Reenlistment Bonus (SRB) levels are important to us in this effort. The SRB remains our single best management tool for correcting critical skill shortages. We have made some improvements in retention of short skills; but shortages remain. With competition for many of our more technical skills increasing in the civilian sector and with the high cost of training replacements, it is cost-effective to retain Marines through the careful use of SRB. However, I believe that the 1990's will require us to examine changes to our reenlistment incentive programs and I have initiated a study to examine other options.

Officers

We place special trust in our officers and expect them to set the highest example. We have a traditionally low officer-to-enlisted ratio. We rigorously review our officer requirements and recently completed a comprehensive study of our officer corps. Directed by the Commandant, the Officer Force Management Review Panel (OFMRP) examined a wide variety of issues relating to our long term officer needs including both officer structure and management policies. The intent was to develop an Officer Force Management System that will meet the Marine Corps' emerging and long term needs into the year 2000. In conducting the review, we carefully validated all officer billets within the Marine Corps

Tables of Organization and provided for the restructuring of our Limited Duty Officer force. This review of officer structure reaffirmed the fact that the Marine Corps requirement for field grade officers exceeds the present allocation authorized by the Defense Officer Personnel Management Act (DOPMA).

The Marine Corps has, by far, the lowest percentage of field grade officers. This is particularly true in the grade of major. Our review of field grade officer requirements and the DOPMA grade tables indicates a deficiency of approximately 700 field grade officer authorizations. This deficiency is restricting our ability to meet increased requirements for joint duty billets. In addition, with higher officer retention rates, the inequitably low grade tables have indirectly caused our field grade time to promotion (flow points) to exceed DOPMA guidelines. We are actively pursuing a portion of the 250 officer temporary authorizations given to the Secretary of Defense to help solve flow point problems in the Marine Corps and Navy Nurse Corps. However, a permanent increase in the Marine Corps grade tables is the best solution for meeting mission requirements and promoting captains, majors and lieutenant colonels at the times specified in DOPMA guidelines.

Our study last year revealed that the long promotion time to Major is hurting our pilot retention, particularly in our fixed wing community. Pilot retention rates are approximately 5 percent below the minimum required rate of 42 percent. Aviation career incentives, approved in the fiscal year 1990 Authorization Act, will have a positive impact, but it is too early to see the benefits. Our overall pilot shortfall of 276 is 7 percent of our requirement, and reflects an increase from last year's shortfall of 6 percent. Changes to our DOPMA grade tables would certainly help. Before leaving the topic of Marine officers, I want to add that the Marine Corps would prefer to return to a more traditional officer-to-enlisted ratio of 1:9 instead of the 1:8.8 ratio represented in our current end strength. Our senior staff non-commissioned officers can be challenged to take on some responsibilities now entrusted to our lieutenants. At the same time, the Corps needs more field grade officers, both for internal needs and joint billets. The catch is that without a richer mix of field grade officers in the Marine Corps' lean DOPMA grade tables, any reduction of officers will lead to even fewer officers in the field grades.

Marine Corps Reserve

Our Reserve forces serve as a full and active partner in our Total Force. The 4th Division/Wing Team is charged with providing the means for rapid expansion of our Corps during mobilization.

Our reserve forces provide a basis for sustainability in high intensity conflicts. The Selected Marine Corps Reserve (SMCR) is organized, trained and equipped to augment and reinforce the active forces as may be required. Readiness of the SMCR and Individual Ready Reserve (IRR) is maintained through aggressive training programs which sharpen the skills of units and individuals.

The budget request for fiscal year 1991 Reserve Personnel, Marine Corps, will support an end strength of 43,900, a decrease of 100 from fiscal year 1990. This decrease is the result of reductions related to the retirement of self-propelled artillery. Our fiscal year 1991 request for Full Time Support Personnel end strength of 2,401, an increase of 100, is to accommodate new aviation equipment. The 352 civilian end strength request for fiscal year 1991 represents zero real growth from fiscal year 1990. These civilians perform duties in direct support of the Marine Corps Reserve, providing essential functions in the finance, procurement, and administrative support areas.

Civilians

Our Marine Corps civilian personnel are an integral part of the Total Force, and are employed in a wide variety of professional, technical, trade and administrative functions. Our "civilian Marines" help us meet the requirements of the supporting establishment, thus permitting more effective manning of operational forces with Marines and ensuring continuity of operations. The Marine Corps validates its civilian requirements through the Manpower Requirements Determination Program (MRDP).

As a result of the fiscal year 1990 Appropriations Act, the Marine Corps will reduce its civilian work force by 924 or 4.3 percent. We plan to take these reductions through an orderly attrition process. Our fiscal year 1991 total for civilian personnel is 20,869.

We face a considerable challenge in meeting constant, and in some cases, increasing requirements. Adequate funding is essential to continue the proper support of our Fleet Marine Forces.

Retirees

Our retirees play an important part in our mobilization and contingency plans and should be recognized for the valuable asset they are. Retirees meet a significant part of our wartime requirements at bases and stations. Approximately 40,000 are under age 60 and, having once served faithfully, could do so again in a national emergency. During peacetime, our retirees aid the recruiting effort by telling a positive story about the

Marine Corps. Their valuable patronage at base exchanges adds to morale and welfare funds in support of quality of life programs.

RECRUITING

The past year was yet another highly successful recruiting year for the Marine Corps. All quantity and quality goals were met or exceeded, in both officer and enlisted programs. In fiscal year 1989, 95 percent of enlisted accessions were high school graduates. We have maintained our momentum into fiscal year 1990, beginning the year with 55 percent of enlisted force requirements in the Delayed Entry Program (DEP). Your help in providing additional advertising money for fiscal year 1990 is appreciated and provides a further boost to our recruiting efforts.

Recruiting duty will continue to be one of the most demanding of peacetime duties that a Marine can perform. I share your concern over the quality of life for our recruiters. Our review of recruiting policies and procedures has revealed a number of issues which adversely affect recruiter quality of life. Many of the problems are related to the high cost of living and lack of military health care facilities in civilian communities. We are examining a variety of actions to improve conditions and raise levels of satisfaction associated with recruiting duty. Some of them may require your assistance.

We are all well aware that the capability of the Marine Corps in the next decade depends on our continued success in the recruitment of high quality young Americans for service as United States Marines. Our ability to meet this objective will require hard work and your assistance in providing advertising and recruiting support for the difficult times ahead.

PERMANENT CHANGE OF STATION (PCS)

The Permanent Change of Station (PCS) program is a vital and integral part of force management. An adequate PCS program allows us to balance grades and skills in units throughout the Corps while enhancing personnel readiness and unit cohesion. We also believe PCS increases retention by providing PCS moves to support reenlistment options for different duty station preferences or for training in the case of lateral moves.

Our PCS program is used to get the right Marine, with the right skills, to the right place at the right time. During fiscal year 1991, 123,855 Marines will make PCS moves. More than 60 percent of these PCS moves will be for Marines entering or leaving the Marine Corps. Another 25 percent of our move plan is directed towards moving Marines to and from overseas assignments where approximately 19 percent of our force serves in forward deployed units of the Fleet Marine Force or in a wide range of

other assignments that include joint commands, embassy duty and naval security forces. The remaining 14 percent of our PCS program supports training, CONUS operational and unit moves.

We use a variety of methods to hold down PCS costs, exploiting the relative advantages of each. Over 9,000 billets are manned through the Unit Deployment Program (UDP). This highly successful program stabilizes Marines in units for extended periods and allows longer periods of home-basing of Marine families at CONUS duty stations. This permits decreases in expensive rotational moves. Our Accompanied Tour Western Pacific (ATWP) program provides for continuity of command, planning, support and maintenance billets. Twelve month unaccompanied tours are used to fill requirements where UDP units cannot be utilized or facilities limit the number of accompanied tours. More recently, we have expanded, by nine countries, our Overseas Extension Incentive Program. We also used 4700 no-cost and 900 low-cost moves in fiscal year 1989 to fill requirements. All of our programs allow us to better manage PCS, broaden individual experiences and enhance operational readiness.

COMPENSATION

A level of pay for our service men and women comparable to the civilian sector is critical to continued success in our recruiting and retention efforts. We appreciate the 1 January 1990 pay raise. Regrettably, the net impact is a widening of the pay comparability gap to 11.4 percent in fiscal year 1990. Further increases in the gap between the military and civilian sector threaten to return us to the unfavorable recruiting and retention climate experienced in the late 1970's. We strongly support passage of the proposed fiscal year 1991 pay raise of 3.5 percent.

On the positive side, we appreciate the Congress lifting the Variable Housing Allowance (VHA) cap for 1990. Since its inception, the VHA program has not been permitted to function in a steady-state environment. We believe fewer constraints will help provide essential housing dollars to our Marines and their families.

QUALITY OF LIFE

The quality of life of today's Marines remains a primary concern and deserves our close attention. Our quality of life efforts feature concerned leadership, realistic training, sound education, discipline (including self-discipline), unit cohesion, and a strong sense of taking care of our own. These are significant considerations in a Marine making career decisions and they directly affect retention, morale and readiness.

Family Programs

The key to our family programs is family readiness. Our Marine families simply must be prepared for the unexpected family separations. Our family programs continue to offer a variety of

services to our married Marines and their families, which are essential to their well being. Our 18 Family Service Centers (FSC's) located on major Marine Corps bases handled approximately 300,000 contacts during FY 1989.

Child care continues to be one of our most important quality of life programs. Demand for child care continues to increase along with the increases in the number of married Marines, working spouses, and dual military couples. We provide child care at 44 centers with a capacity of 4,775 children. Our Family Day Care program is expanding with plans to increase capacity to 6,000 children at 15 installations by the end of fiscal year 1990. To meet the requirements of the Military Child Care Act of 1989, we recently removed a barrier to providing family day care at all of our bases by establishing an insurance program to cover all Marine Corps operations. We are confident that at the end of the fiscal year, we will be able to report that we are better able to meet the needs of our Marines for child care.

Our family advocacy programs address family violence and neglect with an aggressive prevention program. Extensive treatment programs exist to handle incidents that do occur. We expect added dividends from standardized training for our counselors and increased funding from DoD.

Our Employment Resource Centers (ERC's) are also an integral part of our family services. Located at Family Service Centers, they are designed to help family members, separating and retiring Marines, and spouses of civilian employees in career management. The ERC's are instrumental in reducing the stress associated with relocation, career transition, spousal employment and financial difficulties.

We believe the effort and resources put into family programs will enhance family stability and well-being. The indirect result is that our Marines can focus their training and professional military education.

Morale, Welfare and Recreation

The Marine Corps Morale, Welfare and Recreation (MWR) effort provides a positive impact on the quality of life of our Marines and their families. MWR promotes their physical and mental well being by providing a "hometown" atmosphere aboard our bases. We offer goods and services like any other hometown but at significant cost savings to our patrons - usually 20 percent. Approximately 70 percent of the annual profits from operations are returned back to commands for the support of sports programs and services for Marines. By "taking care of our own" through MWR, we help retain quality Marines.

The Marine Corps' consolidation of MWR activities has been a significant effort to conserve limited resources in today's austere budget climate. The MWR consolidation, completed in

January 1990, is in compliance with Congressional guidance to operate our MWR program in a more business-like manner. Managing MWR in this manner, however, means we require the same flexibility as our off-base competitors who enjoy larger markets, product line flexibility and frequently use the political process to their advantage.

We appreciate the added flexibility provided by the lifting of the cap on appropriated funds for MWR. However, since fiscal year 1987, Marine Corps MWR programs have steadily lost appropriated fund support. While we have taken steps to reduce costs, non-appropriated funds must still be applied to the shortfalls for maintenance, utilities and inter-service support agreements. We need your support for business expansion into new products and services in order to offset appropriated fund reductions.

Medical Care

We must continue our efforts to provide the best possible medical and dental care to Marines and their dependents. While our primary concern is adequate medical support to Fleet Marine Force units in time of war, we have not lost sight of our responsibility to provide quality care to Marines and their families in peacetime. Staffing of medical billets remains a concern. There are not enough doctors, nurses and corpsmen to meet requirements. Efforts by the Department of the Navy to increase the responsiveness of medical facility commanders, expand the use of contract medical personnel and improve the NAVCARE facilities have significantly increased health care availability. Continued increases in strengths for active duty medical personnel remains the best solution for adequate long term medical support to our Marines. We cannot waiver in our support for quality medical care for Marines and their families. Your continued help in this area is vitally important.

CONCLUSION

In closing, I am understandably proud of the quality men and women who comprise your Marine Corps today. Similarly, I am proud of the Marines who return to the civilian community at the end of their obligated service or upon retirement. These Marines arrive home with a vivid appreciation for the price of freedom. Our nation is twice paid from the quality individuals it provides the Marine Corps. It benefits by having a flexible, versatile, expeditionary Corps of Marines prepared to defend, at any time, its interests in any clime and place. The nation benefits again when these Marines return their leadership skills and talents to their communities. This exchange, accomplished in the interest of peace and freedom, perhaps best illustrates the character, value and utility of the Marine Corps' service to the nation.

We will continue to provide well-trained, combat ready Marines, prepared for immediate service to our nation. Your support has been, and remains vital to the accomplishment of this task.

INVOLUNTARY RELEASES

Mr. WILSON. Thank you, General.

I am curious about the mechanics that are probably fundamental, but if you are forced to take involuntarily releases, does that mean you may have to take people who don't want to leave and discharge them?

General SMITH. Yes, sir. However, they do have the opportunity to reenlist at that time. If a Marine says he wants to reenlist he can, but those who don't want to reenlist could go before their normal end of active service.

Mr. WILSON. What would it accomplish as far as force reductions if he were involuntarily released?

General SMITH. We find in our first term Marines that just about 25 percent of them reenlist. We have a 75 percent buffer to play with and they would normally be getting out. They would just be getting out earlier than their contracted expiration of active service.

For example, if a Marine was due to get out on September 1 of this year, and if he didn't want to get out before that time, we would force him to get out earlier, unless he reenlisted.

Mr. WILSON. What about severance pay for involuntary releases?

General SMITH. I would really like to see that happen. On any of our major force reductions I think we owe it to our enlisted to give them severance pay. I am not saying a blanket setup for Marines or sailors that don't hack it. I am talking about something that is generated because of budgetary constraints. I think these people rate a severance pay release.

Mr. WILSON. I do, too.

General SMITH. I really appreciate your help on that because I think that is a good thing to help get rid of this feeling of breaking faith with our contracted enlisted people. It eases that hiccup a little bit.

Mr. WILSON. General, this is an interesting question that some of my colleagues and I discussed. Say that you were going to have to reduce the force by two percent more than you thought you would, which would involve heavy release of people who don't want to get out and breaking their contract. Would this involuntary release be a random selection or would you choose the less fit Marines?

In other words, would you be able to cull your force, so to speak?

General SMITH. The less fit are already gone. You have a force of Marines ready to get up and do the job. We demand total dedication and motivation right down the line. I am pleased to say to you that it is also the feeling of your Corps out in the fleet. Our major concern is one of readiness. We have a requirement to support our unified commanders worldwide. You just can't capriciously start cutting Marines out of the ranks in order to meet budgetary bogies and maintain readiness. That is our concern.

Basking immediately beneath this in the subtick is a requirement for critical skills. Our Corps is extraordinarily technical. You have to have skilled men and women to do many of our technical jobs. If you just give a blanket "throw them out routine," that is really going to adversely impact on our readiness. It takes a long

time to train and get new human beings back up to the state of preparedness of those that are getting out.

So we allow our commanders in the field to sort out selectively which MOS's could or could not go, depending upon the availability of Marines in each particular skilled MOS. That is the sort of flexibility we would like to have. If the budgetary crunch is too great, we won't have that. We will have to make our chain of command aware of the adverse readiness impacts and replace some of those Marines that we get rid of as quickly as we can.

IMPACT ON PROMOTIONS

Mr. WILSON. Well, how will this affect promotions if the reprogramming is not approved?

General SMITH. We have a tough go-around with promotions, because of our DOPMA and grade tables in the officer ranks and with the low percentage of top five in our enlisted ranks. I have been hoping we can get relief from the DOPMA officer grade tables.

Mr. WILSON. What is DOPMA?

General SMITH. Defense Officer Personnel Management Act.

In the Marine Corps, we are shy in the number of authorized field grade officers.

Mr. WILSON. You are short in those ranks?

General SMITH. Yes sir, and being short in those grades our representation in the joint arena causes a tremendous drain with constant requests to provide field grade officers to satisfy Goldwater-Nichols. We are short in those grades. It was probably a mistake the Marine Corps made back in 1980 when DOPMA came into being. We were allowed to put our own numbers into the grade tables. That meaning the number of majors, and lieutenant colonels and colonels we could have as a percentage of the total officer force population. We just guessed too low.

Mr. WILSON. In which area did you guess too high?

General SMITH. I don't think we guessed too high in any of them. The major impact is in the major and lieutenant colonel grades. There is a staff action going on now to temporarily increase our authorizations. Congress, in authorizing manpower programs this year, suggested transfer of some 250 Air Force colonel authorizations into the other services. We could possibly realize 200 of those colonel authorizations. When I say colonels they would be going in as majors and lieutenant colonels.

Mr. WILSON. It is our understanding, General, I think you probably understand it as well, that the major obstacle to approval of the reprogramming is only in the authorization committee.

General SMITH. Yes sir.

Mr. WILSON. And the Chairman of the authorization committee says he is not going to consider it.

General SMITH. Yes sir.

IMPACT OF FULL ABSORPTION

Mr. WILSON. I am advised that the reprogramming is in this committee too, but it just takes one to turn it down and the authoriza-

tion committee has already said they are going to turn it down. I don't know how we are going to get out of this predicament.

General SMITH. You are in a tough position and I have heard my colleague make several eloquent appeals on that and I am going to let him talk to that.

It is going to have a real adverse impact on quality of life for our people and what we want to do. It is going to cost us the many years we have spent in achieving the fine manpower program we have now in the Marine Corps if I have to pick up that \$85.7 million. It is going to have an adverse impact on our Corps.

Mr. WILSON. Can you put it in numbers that are simple like how many people will this cause you to demobilize?

General SMITH. I can do that. I am going to give you a range of numbers here. In the formula for success of how we would achieve that \$85.7 million of total reprogramming, there are many quinellas, elements, of that formula. Let me give you several. In end strength reductions, between 9,000 and 11,000 Marines. In accessions, new Marines coming in, 5,000 to 8,000 Marines, and that has a tremendous adverse impact down the road several years hence, in readiness.

Mr. WILSON. You will recruit 5,000 less?

General SMITH. Five to eight thousand less.

Early releases as we discussed, 9,000 to 10,000. Permanent change of station moves for our forces, we would reduce 500 to 600 of those and that has a heck of an adverse impact because that is a good retention tool. People like to go to different places. Also, permanent change of station moves are required to keep a balanced force throughout the Corps. We would also save money in movement of our accessions, equaling up to the 5,000 to 8,000 who would not be joining our Corps—we could pick up 5,000 to 8,000 moves there.

I have on another piece of paper the money involved.

Mr. WILSON. What is the total size of the corps?

General SMITH. It is about 197,000.

Mr. WILSON. That would be about five percent.

General SMITH. End strength reduction, yes sir. Time is our worst enemy. If I have to start this, if you order me now to tell General Gray to do this, we need to start it immediately. Every day that we delay magnifies the adverse impact on our people and upon the amounts of money that we can save through these actions.

[The information follows:]

FULL ABSORPTION OF REPROGRAMMING ON 1 MAY—MARINE CORPS

[Dollar amounts in millions]

Action	Amount saved	Strength lost
Selective Reenlistment Bonus Program ceases on 1 May for the remainder of FY 1990.		
Eliminates 2,097 new payments that could effect manning of critical MOS's	\$13.568	
Cancel 487 programmed change of station moves and 6,459 accession moves.....	8.532	
Involuntary Early Release of all personnel who have an expiration of service in FY 1990 and will not reenlist immediately. On average, this program will release 6,153 Marines 45 days before their EAS. Since it contains only Marines that would be leaving in FY 1990 there is no end strength impact		17,448

FULL ABSORPTION OF REPROGRAMMING ON 1 MAY—MARINE CORPS—Continued

(Dollar amounts in millions)

Action	Amount saved	Strength lost
Involuntary early release for enlisted Marines who have an expiration of service in FY 1991, and early separation for officers. This program will release 4,129 (384 Officer/3,745 Enlisted) Marines producing manyear savings in FY 1990. It will also affect end strength since these are losses that would have occurred in FY 1991.....	20.756	4,129
Reduce Accessions by 6,459 Marines. We would take down accessions by phasing the reductions evenly over the remaining months of the fiscal year. This will deny the Marine Corps access to the highest quality recruits.....	25.422	6,459
Total.....	85.726	10,588

FULL ABSORPTION OF REPROGRAMMING ON 1 JUNE—MARINE CORPS

(Dollar amounts in millions)

Action	Amount saved	Strength lost
Selective Reenlistment Bonus Program ceases on 1 June for the remainder of FY 1990. Eliminates 1,587 new payments that could effect manning of critical MOS's.....	\$10.268	
Cancel 450 programmed change of station moves and 5,602 accession moves.....	4.997	
Involuntary Early Release of all personnel who have an expiration of service in FY 1990 and will not reenlist immediately. On average, this program will release 4,679 Marines 45 days before their EAS. Since it contains only Marines that would be leaving in FY 1990 there is no end strength impact.....	13.269	
Involuntary early release for enlisted Marines who have an expiration of service in FY 1991, and early separation for officers. This program will release 4129 (384 Officer/3,745 Enlisted) Marines producing manyear savings in FY 1990. It will also affect end strength since these are losses that would have occurred in FY 1991.....	20.756	4,129
Reduce Accessions by 5,257 Marines. We would take down accessions by phasing the reductions evenly over the remaining months of the fiscal year. This will deny the Marine Corps access to the highest quality recruits.....	20.692	5,257
Freeze Promotions. All officer, SNCO and NCO promotions would be delayed until 1 October FY 1991 starting 1 June FY 1990.....	12.500	
Stop payment of ACP. The Aviator Retention Bonus would be halted on 1 June FY 1990 and not begin again until 1 October FY 1991.....	3.244	
Total.....	85.726	9,386

Mr. WILSON. Admiral Boorda, did you see Hunt for Red October?

SUMMARY STATEMENT OF ADMIRAL BOORDA

Admiral BOORDA. I did. It was super. We will probably get a lot of recruits out of that. We won't be able to take them because we won't have the money. The 1991 budget in question I think is straight forward. We know in the Navy that we are going to get smaller. There is no question that we are going to get smaller in manpower.

I have a strategy to get smaller which makes sense. That says you dial down on the recruiting side, you control reenlistments. We have a 40 percent first term reenlistment rate, so I have some room to control that and make sure that we keep the right people and we have a vehicle to do that with reenlistment bonuses.

When people get retirement eligible, you pick and choose whom you retire. I can handle the 1991 budget and I want to tell the committee that I can handle getting smaller in a smart way, so I don't hurt the Navy.

This reprogramming is a disaster, absolute disaster if I don't get it, and let me tell you why. When we got an Authorization Act and an Appropriations Act you, the Congress decided how big we ought to be and you gave me an end strength number, and you gave me the funding almost to get to that end strength number, but not quite.

You told me to get more efficient, that I couldn't have all the money to pay for the good things you did like increased bonuses for aviators, increased flight pay that was long overdue, doctor bonuses. That came to \$132 million, so I was that short in that account.

You told me to reprogram for that. You expected us to do it. Right in the Authorization Act. You told Defense to do that. So, as the military personnel guy, I was planning to do that. Then came Gramm-Rudman-Hollings and out of our account came \$285 million. This account is 96 percent entitlements. If I have the guy; I am going to pay him; I have to pay him everything I have to pay him; so, I only have a little room to maneuver within the account, and now I have a \$471 million problem.

So I went to the Secretary and the CNO and I said I can handle \$132 million of that. The initial amount that I was short I will deal with.

Mr. WILSON. That was for entitlements, aviators pay——

Admiral BOORDA. Yes, sir. How I did that was very simple. I cut end strength by 1,400 people. I said we won't have those people, so we don't have to pay them. Primarily, I moved recruiting into the summer months of 1990. I will recruit very heavy into the late summer months, getting 50 percent of the nearly 90,000 recruits we will take in the last four months of the year. Now you are not paying people all year, but only at the end. That seemed to be a reasonable way to deal with that money. It hurts Navy readiness a little, because those people are not in the Navy for the whole year, but it was an acceptable way to deal with a tough situation.

I also told the Secretary, I can't eat the \$285 million. I have to begin to delay promotions, do bad things to people, and I will hurt readiness. He agreed with me, and we found offsets to reprogram \$285 million into personnel, essentially complying with what the Congress told us to do, although we could lawyer that one a little bit and say we were talking about the other amount, not this one. So we found some offsets.

I understand there are concerns here about what some of those offsets are, and we are ready to negotiate the specific line items. We want to take care of people and people are more important to us than things, much more important. So we are ready to work those issues with the committee.

I want to put on the record that staff has been super in being straight up with us and talking to us about that.

EFFECTS OF REPROGRAMMING DENIAL

What would we have to do if we did not get the reprogramming?

You asked General Smith questions. I will just tell you. The first thing we will have to do is I will delay commissioning 1,303 ROTC graduates this summer, people who are going to graduate in May

and are expecting to come on active duty. That is hurting them. That is \$10,000 bucks out of their pocket and they have the rest of the summer and into October with no job. We have just paid for their educations and it is pretty hard for them to make a reasonable accommodation for the rest of the summer. It makes inefficient flight training, nuclear power school, and schools we are waiting for them to come to to be trained.

I will freeze promotions for 28,100 enlisted men and women and 10,100 officers. That really galls me. That is taking our very best people—we have a vacancy for them. We have already selected them for promotion, told them they are going to be promoted, and now we are saying keep stroking it fellow, but I can't pay you. Sears wouldn't do it, you wouldn't let me do it to civilian workers, and that is no way to treat people. That is people paying the cost of the government business out of their pockets.

I would freeze transfers for 10,500 enlisted and 3,500 officers, people who were going to move who are not moving. That won't save money because I have to move them next year. So we shove the problem into another year and we do something to people who have planned on moving.

You were a sailor and so was I, and I can tell you that people complain about moving, but moving is a part of military life and when you tell them they can't, they get mad.

Mr. WILSON. You would have to extend people on sea duty for a year longer?

Admiral BOORDA. Yes. I will have moved the problem from 1990 to 1991. I won't have made it go away, I would just have moved it to another year.

I will terminate the selective reenlistment bonus and that will cost 6,955 reenlistments. That is important, because those are the nukes, and technicians and the people who won't reenlist without the bonus. I looked at that and to save \$60 million this year, I have to spend \$773 million over the next ten years to replace them with training and recruiting costs and experience. That is crazy. Nobody would run a business like that, but I will have to do that if I don't get this reprogramming.

Mr. WILSON. You know what the detractors say and maybe you can explain this to me—they say that the Services in many ways inflicted this upon themselves by exempting personnel from the Gramm-Rudman-Hollings cuts.

INVOLUNTARY RELEASES

Admiral BOORDA. Can I come back to that. That will be my closing. It will be great.

We will involuntarily separate 12,500 enlisted men and 1,200 officers. Those are people who would stay with us otherwise. I have to get smaller, I have to say go home.

Mr. WILSON. How are you going to pick those 12,000?

Admiral BOORDA. I don't have a way to control it because it is so close to the end of the year I have to get rid of people. I would say if you were going to get out between April and September you are going to get out. I don't have room for you to reenlist, and I would take categories of people and create a heck of a valley in the force,

and in experience, that I would have to try to make up in subsequent years.

Mr. WILSON. You won't make decisions based on a guy's competence or whether it is a sonar man?

Admiral BOORDA. We have already gotten rid of people not doing well. These are people who have made it, who are doing well. I need such big numbers I don't have any choice.

I would not recruit 13,600 people who I have already signed up for the Navy. People who are coming in the Navy this year who we have recruited and I couldn't bring them on active duty. That would really break faith. As a father, if my kid came to me and said Dad, I want to go in the Navy and, I said okay, you can do that, and we signed all the papers, and he is already in and then the Navy said, no, I think you got the last one out of my family.

In the end, I would be 31,300 people less than I am today—under strength and not able to man the ships. The average ship manning would go down by 12 percent. The average work week is 81 hours and because they are underway that is not quite as bad as it sounds to most civilians. That would go to 91 hours and 74 ships would not be able to sail. By August, we won't be ready, and that would be unsatisfactory.

There are other issues here, the issues you just asked me about. I have been in the Navy for 34 years now, and I was a sailor for the first seven of those years, enlisted, and I learned a couple of things about leadership, and the first one was take care of your people, keep faith with them, and take care of them.

In the late seventies, some of the unions that support or represent civilian employees for the government wanted to start a union for the military as has been done in other countries, and we fought that, and we got a law passed. It was passed in both the House and the Senate and enacted into law.

The way we got the law passed against unions was the persuasive argument that the Admirals and the leadership of the Navy were in fact the union leaders for the Navy people. So if I sound like a union leader, I apologize, but I don't really, because as a sailor, I expected my leaders to take care of me, and as a leader, I think I am accountable to do that. This is an argument between people that the sailors don't understand.

SEQUESTRATION EXEMPTION

Yes, the President could have exempted military personnel from sequestration. That has been done in previous years and it wasn't done this year. Yes sir, you would have to go to a member of the Administration about why that wasn't done. The Democrats will say in the House Armed Services Committee—at least one—I have a hard time finding people that tell me in private that this is not a good idea, but the Democrats say it is the President's fault that there is pain in the military, but we have to do this to show the President that we are not going to play chicken on the budget. I read that in a memorandum in the House.

There are two trains running together now, one, the Administration, the other the Democratic leadership on the House Armed Services Committee, and my sailors are sitting in the middle and

about to get squeezed, and that is not what you taught me during my 34 years of service, and I don't believe it is what you learned either. This is an unsatisfactory way to treat people, and it will create a Navy that will not be ready and people on the Hill will say who is going to be blamed for that?

I will take the blame because I am accountable for what happens to Navy people, but they won't understand that the Congress or Administration did it. They don't know what OMB is or HAC or HASC, or SAC, or SASC, because they are too busy doing their real work, and all they will know is they got screwed by people in Washington and they won't be in the Navy any more.

I don't like it. I hope you don't like it either, and I hope you will approve our reprogramming.

Thank you.

[The statement of Admiral Boorda follows:]

VICE ADMIRAL J.M. BOORDA

Vice Admiral J. M. Boorda, born in South Bend, Indiana in November 1938, enlisted in the U.S. Navy in February 1956. He attained the rate of petty officer first class, serving in a number of commands, primarily in aviation. His last two enlisted assignments were in Attack Squadron 144 and Carrier Airborne Early Warning Squadron 11. He was selected for commissioning under the Integration Program in 1962 and attended Officer Candidate School.

Following commissioning in August 1962, Vice Admiral Boorda served in USS PORTERFIELD (DD 682) as Combat Information Center Officer. He attended Destroyer School in Newport and, in 1964, was assigned as Weapons Officer, USS JOHN R. CRAIG (DD 885). His next tour was as Commanding Officer, USS PARROT (MSC 197). Vice Admiral Boorda's first shore tour was as a weapons instructor at Naval Destroyer School in Newport, RI. In 1971, after attending U.S. Naval War College and obtaining a B.A. from the University of Rhode Island, he assumed duties as Executive Officer, USS BROOKE (DEG 1). That tour was followed by a short period at the University of Oklahoma and an assignment as Head, Surface Lieutenant Commander Assignments/Assistant for Captain Detailing in the Bureau of Naval Personnel. In 1975, Vice Admiral Boorda took command of USS FARRAGUT (DDG 37) remaining until 1977. He was next assigned as Executive Assistant to the Principal Deputy Assistant Secretary of the Navy (Manpower & Reserve Affairs). In 1979, he relieved the civilian Presidential appointee in the position, remaining until he assumed command of Destroyer Squadron TWENTY-TWO in 1981. In 1983 and 1984 he served as Executive Assistant to the Chief of Naval Personnel/Deputy CNO for Manpower, Personnel and Training. In December 1984, Vice Admiral Boorda assumed his first flag assignment as Executive Assistant to the Chief of Naval Operations remaining until July 1986. Vice Admiral Boorda's next assignment was as Commander, Cruiser-Destroyer Group EIGHT in Norfolk, Virginia. As a Carrier Battle Group Commander embarked in USS SARATOGA (CV 60), he also served as Commander, Battle Force SIXTH Fleet in 1987. In July 1988, Vice Admiral Boorda was nominated to be the Chief of Naval Personnel/Deputy Chief of Naval Operations (Manpower, Personnel and Training) and assumed that office on 9 August 1988.

Vice Admiral Boorda's awards include the Distinguished Service Medal (2nd award), Legion of Merit (3rd award), Meritorious Service Medal (2nd award) and several other personal and campaign awards.

Vice Admiral and Mrs. Boorda, the former Bettie Moran of Comanche, Oklahoma, have four children. Two sons, Robert and Edward, are Surface Warfare Officers and their daughter, Anna, is also married to a Surface Warfare Officer. Their son David resides in Arlington, Virginia.

Prepared Statement of Vice Admiral J.M. Boorda
Deputy Chief of Naval Operations for Manpower, Personnel
and Training and Chief of Naval Personnel

It is a pleasure to testify today. It's a pleasure because I have a success story to relate, a plan to offer that makes sense, and some very important and straightforward information that I believe you must have if you are to make informed decisions about the course our Navy is to take with respect to manpower and personnel.

My statement today will tell you that, together, we've improved personnel readiness to the highest plateau in many years, that retention is high and improving, that recruiting is better than you or I have any right to expect given the demographics and resources applied, and that things are going in the right direction in Navy manpower. I'll explain how we can keep that positive momentum going...even as we get smaller in the 1990s. I'll describe our opportunity to make a smaller Navy of the future a better one with respect to people. And I'll tell you how we can err, how we can miss the opportunity, hurt our people and cause the best of them to leave us. You have some real choices this year. We all, every one of us, talk about people. We all say that good people are the key to military readiness and that we must protect them. This year, as never before in recent history, you have the chance to make those words have meaning or to show that they are not really true, that other things are far more important and that people don't really compete when the decisions get difficult.

It is up to us. It is my job to convince you that I have a plan and that my plan makes sense. We are not asking for more people this year...just the opposite. We are not asking for new programs...only continuation and proper funding for those programs that have proven their worth. I believe, as many of you have said, that it is your job to make difficult choices. I can only hope that you'll make those choices with full knowledge of what they really mean to Navy people and Navy readiness and that, together, we will seize the opportunity to make the phrase "take care of our people" really mean something.

How well are we doing? The two most important report cards I get every month tell me we're doing very well. Recruiting is the strongest it's been for the past five years. Retention is up by about 2 percentage points over last year and last year was the best in recent history. These report cards show me that people believe they are being taken care of in spite of the uncertainty over the future size of the defense budget. They tell me that our men and women are responding to the positive signals you and the Navy have given them over the past year.

What does "being taken care of" really mean to our sailors? It means being paid adequate compensation for their work, and having incentive pays and bonus programs that support retention of people whose skills we need in a Navy of increasingly complex technology. It means striking a careful balance between sea and shore tours and achieving an operating tempo that does not prolong family separations to unreasonable lengths. It means decent housing, medical care, family support programs, and a

recreation program that offers wholesome leisure activities. It means having funds available to promote people on time when vacancies occur so that outstanding performance is recognized and rewarded. It means being transferred on time, especially after completing an arduous tour of duty at sea or overseas. It means knowing that you will be looked at as an individual, that your special needs, both personal and career-related, will be considered by the bureaucracy in decisions affecting your future. It means freedom from fear of capricious decisions being made in your case, simply because something has always been done that way.

The past year was a time of real progress in programs affecting Navy people:

- We are continuing to improve career opportunities and upward mobility for women by assigning women to a growing number of billets at sea and increasing the number of women entering sea-going ratings.

- We met all our recruiting goals except doctors and nurses and, even there, we did far better than we have done in years.

- We met our quality goals for those entering the Navy. A large factor in this success was increased focus on the men and women of the recruiting force and a realization that their job satisfaction is the key to their success. By improving that satisfaction, performance rose significantly which emphasizes the adage that quality of life is an equal partner with training and maintenance as a readiness factor.

- Implementation of the Equal Opportunity Study we conducted in 1988 is proceeding full bore.

- First term attrition is down which means that training dollars are being spent more efficiently and a more steady flow of qualified sailors is entering the fleet.

- Retention is up across the board which results in a more experienced and ready force.

- Access to medical care for our people and their families is improving as a result of vigorous implementation of the Medical Blue Ribbon Panel's recommendations by all echelons of Navy leadership. Your support in the FY 1990 budget for nurse accession programs and enhanced doctor retention bonuses will help us continue this positive trend.

- The increased Aviator Career Incentive Pay and extended authority for Aviator Continuation Pay have begun to reverse the downward trend in aviator retention.

- Our revised system to determine Shore Manpower Requirements has the full support of senior commanders throughout the Navy and is on track.

I mentioned last year our goal of showing our men and women by example and deeds that "taking care of our own" really means something. Our recent snapshot of recruiting and retention results indicate that we are succeeding with your strong support. The word is out that the Navy is a good outfit. The reward for the American people is a Navy of professionals who are doing a great job because they are satisfied and who are staying with us and allowing their experience to be fully used. This combination of satisfaction and experience translates directly into combat readiness.

The underlying theme upon which the FY 1991 personnel budget is based is that people and people dollars cannot be cut arbitrarily simply as a means to reduce expenditures. Reductions must be taken in a balanced, coherent, way. As you recognized and approved last year, the people in the Navy must be in the right numbers and right mix of skills to man and operate the fleet. The resulting FY 1991 budget is balanced...numbers of people are sized to match the size of our operational forces. When the number of ships and squadrons decreased, we were able to reduce the manpower numbers in the same balanced proportion. Our request includes the right number of people in the right places in order to man and operate the fleet while providing a quality of life for our people that will contribute to retention and readiness.

Before getting into the specifics of the budget, I'd like to discuss the strategy which is the foundation of our manpower program, not only in the budget that you see for FY 1991, but in Navy's overall program for the next several years. Several factors may result in a smaller Navy over the next few years. What we must avoid is a pattern of manpower reductions which are unrelated to the remaining force structure, which cause uncertainty and turbulence among our people, and which could lead to a return of the chaotic conditions of a decade ago when all the services faced low retention, even lower morale, and sharply reduced readiness. You don't want a hollow force and neither do we.

The manpower strategy the Navy has adopted for the 1990's is centered on the premise that, as the Navy gets smaller, we have the opportunity to proactively shape the force in order to retain high quality personnel, increase experience levels, gain slightly better sea/shore rotation for our people, improve training levels, and reduce overall manpower costs. A key element of this strategy is a commitment to take care of the people who are in the Navy, and wish to stay, even as total strength decreases.

As we develop and implement our manpower strategy, the following goals must be met:

- Sufficient strength, in the correct grades, must be available to man operational forces at levels that permit the work to be done in an effective manner. Average sea manning of 91.5 percent active personnel should be the minimum result. Lesser manning will not provide sufficient qualified personnel needed to accomplish validated shipboard and squadron maintenance and operational workload, and would result in a downward readiness spiral like we experienced in the late 1970's. Insufficient people in the operating forces causes unreasonable workload, increased family separation, and leads to the exodus that produces the hollow force we must avoid.

- Sufficient strength, in the correct grades, must be available to accomplish necessary work ashore, and provide for a minimum 3.5 to 3 sea/shore rotation for career enlisted personnel. Improvement to 3 to 3 rotation pattern is Navy's long term objective.

- Career content of the force should increase slightly over time in order to take advantage of quality people now on board, to reduce training costs, and to increase readiness through

efficiency gained from increased experience. Although workyear average costs would be a little higher with this force profile, total costs, particularly those for training, will decrease.

-The judicious use of Selective Reenlistment Bonuses (SRB) will become increasingly important as the force decreases in size and increases in experience. SRB will be required to shape a smaller force more precisely.

- Adequate funding for Permanent Change of Station (PCS) also is essential. PCS becomes a major factor in both retention and readiness as the force becomes more senior and experienced and there are fewer people. Those who remain must be properly assigned.

- Key Quality of Life programs must be recognized as essential elements of maintaining a better trained and experienced force. Programs such as Child Care, Housing (both family and bachelor) and Morale Welfare and Recreation (MWR) programs assume greater importance and influence. As the force gets smaller we should seize the opportunity to more properly match these programs to force size instead of arbitrarily reducing the programs by the same percentage as force reductions.

- Officer strength, in relation to the size of the total force, should increase slightly as force size decreases. We need to recognize and correct the serious shortages Navy has endured during the growth years, particularly in meeting such officer-intensive requirements as medical, assignment to joint duty, graduate school, and professional military education (PME/JPME). An additional factor in determining the required size of the officer corps is the reality that newer, more modern weapon systems are more officer-intensive than the systems being replaced.

The FY 1991 manpower budget meets these goals. The reductions from FY 1990 are balanced between forces and people, fleet manning and readiness are maintained at 91.5 percent, sea/shore rotation does not worsen, bonus programs are focused on retaining the skilled people we need to retain, and the career sailor can count on a quality of life that will encourage him or her to remain on board.

The underlying principle of our manpower budget is its balance between force structure and the funding and people needed to operate and maintain those forces. An arbitrary reduction of personnel dollars and/or end strength will upset this balance. We would be forced to cut enlisted strength ashore, since we have to man the fleet properly and adequately. Cutting billets ashore will result in sea/shore rotation going the wrong way, leading to more family separation, lower retention of career personnel, and reduced fleet readiness. Navy leadership is committed to not repeating the actions of FY 1988, when promotions and advancements were delayed, transfers from sea duty were delayed, and we saw the exodus of 14 thousand skilled petty officers when we forced them to make an early decision on reenlistment. They chose to leave.

The positive and optimistic state of Navy personnel readiness that I have outlined is based entirely upon execution of a FY 1990 personnel program using \$285 million that is to be transferred from other accounts to offset the impact of

reductions directed by Public Law 99-177. I want to be very clear. We have not added money to the personnel accounts above the amounts authorized and appropriated by the Congress. Not one penny has been added. We have adjusted to account for underfunding and, in the case of sequestration, we have reprogrammed back to the authorized and appropriated numbers and no more. We started FY 1990 with a \$417M problem for Navy people. In addition to the sequestration reduction, the FY 1990 personnel account was underfunded by \$132 million:

- \$77 million to cover congressionally authorized but unfunded programs
 - \$47 million reduced from the FY 1990 budget request for management efficiencies and foreign currency exchange.
 - We have resolved the \$132 million problem by shifting the phasing of recruiting with more personnel coming aboard during the latter months of this fiscal year. While this will create short term personnel shortages in the fleet, it is manageable if that is the only negative personnel action that must be taken.
- These actions have exhausted the only palatable and available courses of action we have to execute our FY 1990 program, and have left us with no flexibility.

Absorption of a \$285 million reduction in the Navy personnel account, funds that were appropriated by the Congress for this year, would have a devastating effect upon fleet readiness and on the men and women in uniform. Among the unprecedented actions that would have to be taken are:

- Long delays in commissioning of new officers
- Freezing promotions of all officers and enlisted personnel
- Involuntary separation of good, solid performers
- Suspension of retention bonus programs and cancellation of most programmed permanent change of station moves.

- Severe curtailment of bringing new people into the Navy.

The result of these actions would be catastrophic. In one year we would create the hollow force which you, and we, are working so hard to avoid. End strength would fall precipitously. The Navy would be severely understrength. Retention would fall to an all time low due to major imbalances in manning and the loss of any credible ability to provide any career protection to our people. Our manpower strategy would be no more than a pipedream since we would totally lose our ability to shape the force, to retain those in needed skills and to keep the correct occupational mix. We would lose precisely the people we can least afford to lose, those in high skill areas who, as a result of SRB terminations, would seek employment elsewhere. We observed this when the program lapsed for several months two years ago. Then, at least, our losses were somewhat mitigated because we could look sailors in the eye and promise them the program would soon be restored. We could give no such assurances this time around. Fleet readiness would plummet due to the loss of these skilled people, and by our inability to access, train, or even transfer replacements to cover the losses. The holes created in the force structure would be felt through FY 1991 and beyond. We would simply not have enough people to man the fleet.

Faced with the stark reality of trying to execute our personnel program without the \$285 million, Navy leadership has

made a conscious decision to maintain the account at a level which would carry out the strategy-based personnel plan I have outlined above. The plan we have submitted will achieve our common goal of a ready Navy and a decent standard of living for all hands.

The FY 1990 plan contained in the FY 1991 Budget Request accommodates the \$132M underfunding I outlined. It also accounts for the \$285M sequestration by requesting reprogramming in order to maintain Navy readiness and our commitment to Navy men and women and their families. It avoids a readiness decline and future problems through solid management and careful planning. I most fervently request you support this reprogramming.

Our FY 1991 request is logical and balanced. It matches people and dollars for people to force structure. It makes sense for this year and postures Navy well to continue high personnel readiness in the future. It does not ask for "more". It does ask for the right amounts. It reflects reality. It makes a statement. That statement says that people are important, that we mean what we say when we tell sailors that they are the most important ingredient in our defense equation. If approved, it says that you - the Congress and we, Navy's leadership, will stand behind the men and women who joined our all-volunteer Navy and who have, by their dedication and sacrifice, made a major contribution to achieve the many positive changes we are seeing in the world today. It is a smart, well-planned, and executable budget and one that is worthy of your support. Together we can ensure that our Navy is ready and that Navy people can continue to serve in an organization that puts them first.

BUDGET REQUEST FOR THE TOTAL FORCE

End Strength

The FY 1991 budget request reduces active end strength by 5701 (494 officers/5207 enlisted) from FY 1990 levels. This net reduction is the result of:

- Ship manpower:	
-- Ship retirement	(-8780)
-- Ship transfer to NRF	(-1397)
-- Manning for new ships	(+3281)
-- Increased manning on tenders	(+1919)
- Net Ship manpower:	-4977
- Aircraft squadron manpower	+ 173
- Fleet support manpower	+ 110
- Shore infrastructure manpower	-1007
Total reduction	-5701

While overall force size is being drawn down to meet fiscal constraints, fleet capabilities continue to be upgraded and improved by the introduction of new ships and aircraft. The manpower needed to operate these newer systems is generally fewer than was needed in the older platforms, the mix of personnel tends to be more experienced, more senior, and more officer-intensive.

The Navy continues to grow the size of the Health Care Professional Officer ranks to meet levels mandated by Congress. Special Operations Forces (SOF) is another growing community

within the Navy. Given that Navy end strength overall is being drawn down, manpower must be reapportioned from other communities in order to accommodate growth in specific areas such as health care and SOf.

Recruiting

FY 1989 was a good year for Navy recruiting. In spite of numerous obstacles, a strong economy, declining youth market, strong competition from industry, colleges, and the other services - all accession goals with the exception of health care professionals were achieved. Your support for Navy's FY 1989 and FY 1990 recruiting budget was a big factor in this success and helped improve youth awareness of the Navy. Equally important has been the dramatic improvement in the overall command climate within the Recruiting Command. As a result of an in depth study we conducted a year ago, a concerted effort was made to improve the morale and quality of life of recruiters in the field.

To relieve some of the pressure to achieve results from the individual recruiter, a concept of teamwork within the organization was emphasized. Sailors coming to recruiting duty from long and arduous sea tours were finding that the pressure to produce, the long hours, and the natural frustration that comes with trying to sell a product were all imposing an unacceptable strain and low job satisfaction. These conditions had prevailed for several years as the Navy's strength was building and recruiting duty was perceived as a place not to be.

We have recognized that recruiters are like any other group of sailors - they perform better when they know they are being taken care of and that their quality of life is just as important as that of people serving in the fleet. We are listening to their ideas to make recruiting duty more satisfying while still achieving the results we need.

The particular skills that a recruiter brings from the fleet to his new job are being more carefully evaluated in the context of how these skills can be best used to achieve the command's overall goals. Incentive programs have been established to attract the best and brightest sailors, proven performers in the fleet, to recruiting duty. The results have been gratifying in terms of recruiter satisfaction and in recruiter production. A recent DOD survey on recruiter perceptions bears this out. Navy recruiters compare very well with their counterparts in the other services in terms of job satisfaction, and considerably better than we found in a similar Navy survey a year ago. The majority of our recruiters today are volunteers, which is a distinct departure from the past.

Enlisted Recruiting Results - In FY 1989, Navy accessed 95,186 enlisted personnel, of whom about 78,500 were non-prior service (NPS) males, and nearly 11,000 were NPS females (a thousand more than the year before). The overall percentage of NPS accessions classified as Upper Mental Group (UMG) was 58, with 90 percent being High School Diploma Graduates (HSDG). In order to meet our accession goals for FY 1989, we had to draw from the Delayed Entry Pool (DEP) with the result that our DEP at the beginning of FY 1990 was about 6000 below what we would like it to be. Fortunately, by phasing accessions until later this year in order to conserve FY 1990 funds while maintaining overall

recruiting goals, we are gradually building the DEP back up and still sending the right number of people to boot camp each month. Our recruiters have been able to focus their attention on high quality applicants still in college and high school, instead of being forced to try and meet monthly shipping goals from the work force market.

Officer Recruiting Results - With the exception of recruiting doctors and nurses, Navy met all its officer recruiting goals in FY 1989. FY 1990 is starting out even stronger than last year.

Medical Accession Issues - We are still concerned about our ability to recruit Health Professional officers. While FY 1989 results were significantly better across the board than FY 1988, we fell short of our goal primarily because the goal was greatly increased to meet the growth requirements mandated by Congress. The Nurse Candidate Program and Accession Bonus which you authorized for this year will be helpful in achieving our FY 1990 nurse goals which are even higher than last year. The competition is tough; civilian hospitals are facing the same shortages and their enticement programs are sometimes more lucrative. So far this year, we have a larger number of candidates either on board or being processed than we did last year at this time.

Nuclear Officer Accession - Nuclear officer accessions continue to be one of the Navy's most difficult and challenging recruiting issues. Attracting these high quality and sought after officers into the nuclear propulsion program is becoming more and more difficult. We are pursuing several initiatives to help solve this problem including a revised nuclear surface warfare officer career path and maintaining key incentives for joining the nuclear community.

Recruiting shortfalls for nuclear officers have existed since the early 1960's. The Navy was successful through the 1970's and 1980's in recruiting enough nuclear officers to man its nuclear powered submarines, aircraft carriers and cruisers. However, since FY 1985, the Navy has fallen short of its officer accession goal by an average of 10 percent each year. The goal was met in FY 1989. This continuing shortage results in a sea intensive career path and a general inability of these officers to serve outside their community in professionally broadening assignments, including joint duty.

FY 1990 Recruiting Market/Resources - Throughout FY 1989, we continued to add enlisted and medical recruiters to the force. Concerned over the low level of Navy awareness that American youth had, we also changed the direction of our advertising campaign. The funding for recruiting and advertising that you approved for FY 1990 allowed us to plan properly for this year. The advertising seems to be paying off: for the first quarter of FY 1990, national and local leads converted into contracts are up about 16 percent over the same period a year ago.

Our request for FY 1991 reflects the same level of funding for advertising while other recruiting resources increase by \$6.9 million. This will permit more automation at the local recruiting stations and improvements to our recruiting data system which are long overdue. This money would be well spent: it cuts down the administrative and paperwork workload of the

individual recruiter and allows the recruiter to focus his attention on recruiting. The recruiter in the field is the key and must be supported.

Our posture for the remainder of this year and for FY 1991 is sound:

- advertising on National TV for the first time in three years is paying off in awareness.
- recruiters are motivated and satisfied
- accession goals are being met and the DEP is being built up.

We need to continue this positive trend. The Navy of the 1990's must be manned with quality people, regardless of its size. Recruiting resources and efforts cannot be turned on and off sporadically. Successful programs such as the Enlistment Bonus (EB) and the revitalized Navy College Fund with the Montgomery GI Bill as its basis, are key elements in getting the right type of men and women to join the Navy.

Retention

One of our toughest and most important challenges continues to be retaining quality people. It's a measure of many things, all of which come down to how satisfied an individual sailor is, in terms of compensation, job satisfaction, command climate, time with the family, and career opportunities. Our best and brightest, the people we want and need to keep as the Navy gets smaller, generally have other options and opportunities to achieve personal goals outside the Navy. Our most important job as leaders is to provide them an environment in the Navy where their goals can be met.

Retention is a very fragile measure of success. Retention can swing sharply downward when a sailor perceives that his or her Navy has lost interest, such as in FY 1987 and FY 1988 when drastic money saving measures had to be taken.

In the macro sense, we achieved savings of hundreds of millions of dollars by skimming off the personnel account in order to preserve the end strength needed to man the fleet. In the micro sense, we were slowing down promotions, extending people at sea, sending people home that we wanted to keep...all of which was perceived as a breach of faith by the individual sailor.

Conversely, when the personnel account is properly funded and strength reductions taken in balance with force reductions as was the case in FY 1989, the sailor gets a feeling that he and his family are being taken care of and that continuing in the Navy is the right thing to do. Retention of first and second term sailors rose by 2.1 and 4.2 percent respectively in FY 1989, the best year Navy had in the 1980's. This trend is continuing in the first few months of FY 1990 and it's a trend we will maintain with your support. It results in a high state of personnel readiness throughout the fleet at the moment; 95 percent of our units are reporting C-1 or C-2 which are the highest categories of personnel readiness.

This current state can be attributed to several factors:

- Stable personnel policies...meaning sailors are promoted and transferred on time. This is only achieved when the personnel account is funded to match our strength.

-Judicious use of and adequate funding of Selective Reenlistment Bonus (SRB) program. We continue to target SRB to those specific skills where retention is low and where training and replacement costs are high. There's excellent return on our investment: on the average, every SRB dollar offsets two and one half dollars in future training and replacement costs. The FY 1991 program, represents a balanced program aimed at maintaining adequate retention in those specific mission critical skills needed for continued fleet readiness. The \$45 thousand dollar ceiling authorized for this year has not been implemented in the form of payments, simply because it hasn't yet been needed to maintain adequate manning levels. SRB will become increasingly important as the force declines in size and the need for experience in specific targetted occupations becomes more acute. The direct correlation between SRB and retention in specific skills has been demonstrated over and over again - when SRB has been terminated or cut, talented people seek employment elsewhere. Your continued support of this program will be a key element in our efforts to shape a smaller Navy more precisely.

-Navy-wide attention to reducing first term attrition as a means of retaining the right people. A year ago, a First Term Attrition Task Force examined the reasons why sailors leave the Navy early. Specifically it looked at Navy-wide and command level policies and programs to see if they were working as intended and what the basic causes for attrition were. As a result of the study, Navy has made significant, but common sense, policy changes in recruit and initial skill training areas. The goal was to make sure we were equipping our new arrivals with the basic skills and knowledge (both intellectual and physical) that they need to function in their designated rating. At the same time, every level of Navy leadership has put increased emphasis on retaining our best people and helping our personnel become productive sailors. The results are gratifying. Recruit attrition has been reduced by half and first term fleet attrition reduced by a third. The benefits to the Navy are obvious: We can cut down the number of people to be recruited which allows us to concentrate on quality recruiting, training and re-training costs are reduced, and we have a wider selection of qualified people to choose from as the force of the 1990's is shaped.

Officer retention - Overall rates are sufficient to fill operational billets. Shortages do exist within specific communities as follows.

Pilots: Navy is currently short by about 1300 O-3/O-4 pilots, which has been caused by the low pilot training rate of a decade ago and by declining retention since 1984. Strong airline hiring and a strong economy continued in FY 1989 but the rate of pilot losses seems to have bottomed out. The Aviation Continuation Pay (ACP) and the increased Aviation Career Incentive Pay (ACIP) in the FY 1990 Authorization Act are expected to raise pilot retention slightly in FY 1990. While these monetary incentives are helping to keep more pilots, the key factors that influence retention Navy-wide apply equally to pilots: keeping family separation caused by deployments to a reasonable length; maintaining compensation levels and quality of life programs; and adequate quality flying hours to maintain

morale, safety, and combat readiness... all of which are interrelated.

Nuclear: There is still a shortage of experienced nuclear trained officers, primarily at the post commanding officer level, but throughout the O-4 to O-6 level. As a result, sea tours are frequently extended, back-to-back sea tours are not uncommon, and some critical shore support positions cannot be filled. With these demands, the assignment of nuclear officers to joint duty as a prerequisite to flag selection becomes increasingly difficult. Navy is carefully watching such key retention factors as operating tempo, and trying to manage officers' career patterns to permit a more reasonable time with families.

Doctors: Medical officer retention remained steady between FY 1988 and FY 1989, primarily due to the Medical Officer Retention Bonus (MORB), and the addition of non-medical personnel in order to free up doctors' time for direct patient care. The combination of continued MORB and increased levels of special and specialty pays this year should help us close the gap between requirements and inventory.

Nurses: Navy finished FY 1989 225 nurses short of the Nurse Corps end strength goal. The new accession programs authorized for FY 1990 are already helping recruiting. A host of initiatives to improve nurse retention are underway. They include:

- Incentive Special Pay (ISP) for certified registered nurse anesthetists. To date, over half of those eligible have applied for ISP.
- Nurse Candidate Program and Nurse Accession bonus which will alleviate the shortfall in registered nurses.
- Expansion of education assistance and professional development programs such as Medical Enlisted Commissioning Program, Nurse Corps Baccalaureate Degree Completion Program, full-time outside service training, and NROTC.
- Development of the Technical Nurse Warrant Officer Program for nurses prepared at the associate degree in nursing level.

Reserve End Strength

The Naval Reserve FY 1991 end strength request is for 149,700, a decrease of 3700 from FY 1990. This includes 22,997 full time active duty reservists (FTS) in FY 1991, an increase of 289 from the FY 1990 levels. Selected Reserve (SELRES) end strength is reduced by 3989 in FY 1991 and is applied to those mission areas where Navy under-executed the FY 1989 SELRES program. (These reductions total 4732 which is offset by an increase of 743 SELRES billets associated with the ships being transferred to the NRF and Naval Reserve infrastructure has been reduced).

Women in the Navy

Women continue to have expanded career opportunities in the Navy. The number of enlisted women has increased by about a thousand in each of the last two years, and will comprise about 9.6 percent of the force by the end of FY 1991. The number and percentage of women officers is also increasing; they will comprise 10.6 percent of the force by the end of FY 1991.

The number of enlisted women serving at sea will have nearly

doubled between FY 1988 and FY 1991: from about 5500 to nearly 10,400.

Enlisted women have been placed on sea/shore rotation patterns similar to their male counterparts to increase their career opportunities. In most cases, our new female sailors may now freely choose the occupation they wish to strive for and compete for advancement, knowing in advance what the projected advancement opportunities will be. We continue to emphasize and women continue to seek careers in sea intensive skills. Female attendance at "A" schools is steadily increasing, particularly at sea intensive "A" schools. We are filling the school seats. We have improved the career path opportunities for women in Aviation and Surface Warfare communities. Women are serving as Executive Officers of tenders and Combat Logistics Force (CLF) ships. One woman has screened for surface command afloat and will be assuming command of one of these ships in the months ahead. Late this spring, the first woman will assume command of an aviation squadron.

Child Development Programs

Child development remains a major quality of life factor for sailors. Our capacity to provide care has grown over the past year but still only meets about half of the need. We are aggressively implementing the Child Care provisions of the FY 1990 Defense Authorization Act by adding positions, conducting inspections, increasing construction and operating expenditures, and training caregivers. These programs have the total support of Navy leadership.

Manpower Requirements Determination

Shore Requirements - The revised Shore Manpower Requirements Determination Process is on track. Claimant program infrastructures are identified, analyst training continues, and lessons learned in FY 1989 have been applied to speed up the Efficiency Review (ER) process. Through the first three months of FY 1990, 14,000 billets/positions have been studied by ER. Claimants are reaffirming their commitment through revisions of their 5-year schedules to ensure 20 percent coverage per year by ER and 100 percent validation of shore manpower requirements, to include all military and civilian, by 1 October 1994.

Ship/Squadron Manpower Document Validation (SMD/SQMD) - The Navy's SMD/SQMD programs were audited in March 1986 and May 1987, respectively, by the General Accounting Office, which examined all of the Navy's fleet manpower requirements determination processes. The DOD Inspector General agreed that Navy's corrective actions on GAO Report NSIAD-86-49 (Ship Manpower Document Program) had been institutionalized within the program. The SMD program audit follow-up was closed by the DOD Inspector General on 14 May 1987 and 65 percent of the one remaining SMD action item (workload accuracy revalidation) recommended in the GAO audit has been completed. The remaining workload accuracy revalidations are on track to be completed by September 1991.

In October 1987, the Squadron Ground Officer Staffing Guide (GOSG) was approved in response to recommendations made in the May 1987 GAO Report NSAID-87-101 (Squadron Manpower Document Program). The GOSG was updated in October 1989. We placed existing Aircraft Squadron Staffing Standards on a triannual

review cycle which was another positive action taken to implement the GAO recommendations. Forty-one percent of the one remaining SQMD action item (workload accuracy revalidations) has been completed. The remaining workload accuracy revalidations are on track to be completed by September 1991.

Our actions to enhance the validity and currency of the SMD/SQMD programs have improved the standards applications process and helped to ensure that the Navy continues to use credible systems for determining fleet manpower requirements.

SUMMARY

Our manpower budget will provide the quality personnel that our Navy deserves and needs. It is based upon a strategy which attracts and retains the right people to man the fleet. With your solid support, we've been doing well for the past two years, and our men and women in uniform recognize this by their dedication and professionalism. Your support in meeting the tough challenges ahead is necessary for this progress to continue.

APPENDIX AThe Military Personnel, Navy (MPN) Appropriation Request

The FY-91 MPN request is for an appropriation of \$19,363,100,000 in obligational authority. This is a net increase of about \$73 million from the current FY-90 funding requirement. The major changes include: annualization of 3.6% 1 January 1990 pay raise (\$145 million); 3.5% pay raise effective 1 January 1991 (\$440 million); inflation (\$15 million); offsetting decreases are: average strength reduction of 6,982 (\$200 million); functional transfer of Subsistence-in-Kind to Operation and Maintenance, Navy (\$277 million); and retired pay accrual (\$68 million). The following paragraphs provide explanations on funding required for selected budget activities; and Chart A reflects funds requested for all six budget activities, as well as the percent of each to the total program.

MILITARY PERSONNEL, NAVY DOLLARS (\$000) BY BUDGET ACTIVITY

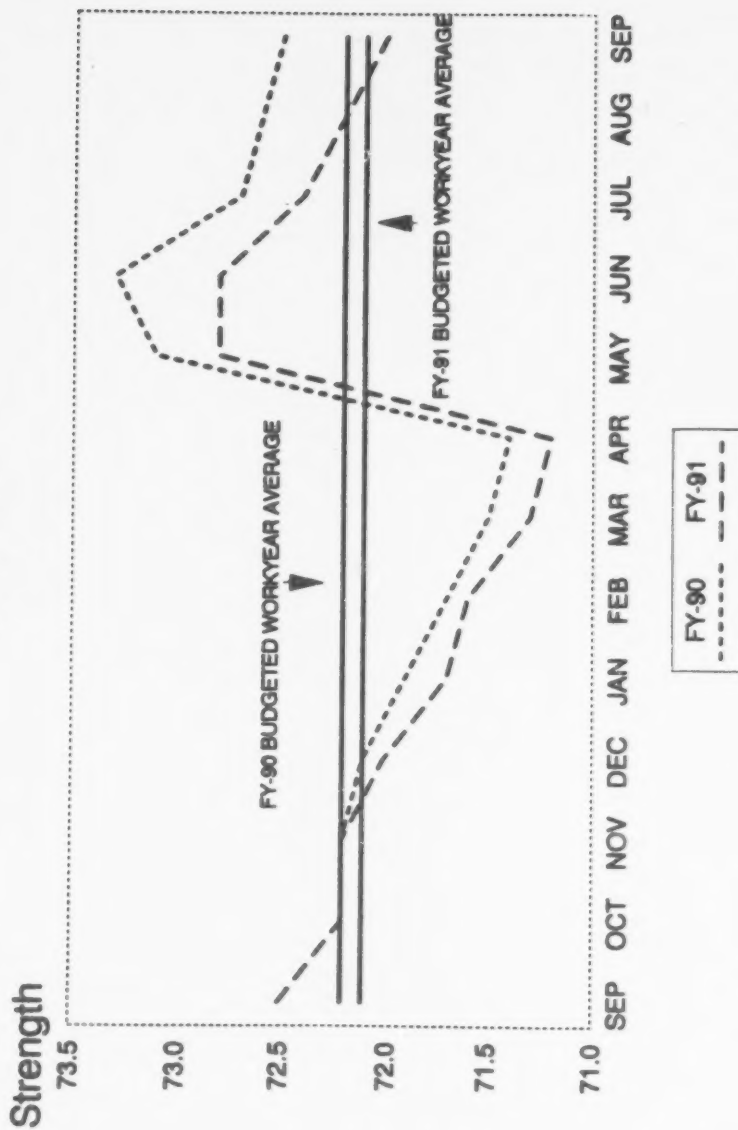
<u>BUDGET ACTIVITY</u>	<u>FY 1989</u>	<u>%</u>	<u>FY 1990</u>	<u>%</u>	<u>FY 1991</u>	<u>%</u>
PAY AND ALLOWANCES - OFFICERS	4,487,739	23.5	4,583,256	23.7	4,647,743	24.0
PAY AND ALLOWANCES - ENLISTED	13,122,667	68.9	13,189,127	68.4	13,441,338	69.5
PAY AND ALLOWANCES - MIDSHIPMEN	38,871	0.2	39,705	0.2	41,567	0.2
SUBSISTENCE OF ENLISTED	815,745	4.3	843,506	4.4	585,288	3.0
PERSONNEL						
PERMANENT CHANGE OF STATION	550,973	2.9	593,830	3.1	607,768	3.1
TRAVEL						
OTHER MILITARY PERSONNEL						
COSTS	38,640	0.2	40,676	0.2	39,396	0.2
TOTAL DIRECT PROGRAM	19,054,635	100.0	19,290,100	100.0	19,363,100	100.0
REIMBURSABLES	122,874		119,100		283,100	
TOTAL FINANCIAL PROGRAM	19,177,509		19,409,200		19,646,200	

CHART A

1. Pay and Allowances of Officers. \$4,647,743,000 is requested to support planned officer strength in FY-91. This represents a net increase of about \$64 million from the FY-90 level. This change is attributed primarily to the FY-91 pay raise and full year of the FY-90 pay raise offset by a reduction in workyears. The funds required in this budget activity are based primarily on the monthly strength plans and resultant workyears indicated in Chart B.

FY-90 AND FY-91 OFFICER STRENGTH PLAN

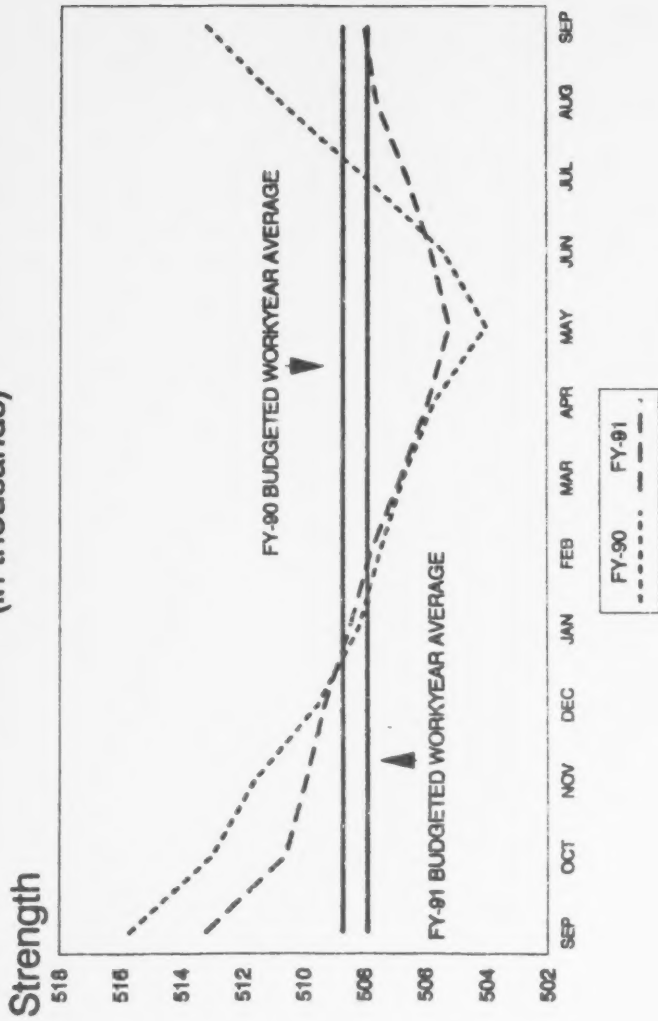
(In thousands)



2. Pay and Allowances of Enlisted Personnel. Planned enlisted strength will require \$13,441,338,000 in FY-91. This represents a net increase of about \$252 million over the FY-90 level. The increase is primarily due to the FY-91 pay raise and full year of the FY-90 pay raise, partially offset by reduced workyears.

The funds required in this budget activity are primarily based on the monthly strength plans and resultant workyears as indicated in Chart C. Budgeted workyears in FY-91 are 2,747 below a "straight line" computation between the end strengths of FY-90 and FY-91.

FY-90 AND FY-91 ENLISTED STRENGTH PLAN (in thousands)



3. Subsistence of Enlisted Personnel. The amount required for Subsistence of Enlisted Personnel is \$585,288,000 in FY-91--a net reduction of \$258 million from the FY-90 level. This decrease in FY-91 is a result of the functional transfer of Subsistence-in-Kind to the Operation & Maintenance, Navy appropriation partially offset by an increased requirement due to the FY-90 and FY-91 pay raises.

4. Permanent Change of Station Moves (PCS). The Navy PCS Program will require \$607,768,000 for FY-91, a net increase of about \$14 million from the funding level currently planned for FY-90.

The cost variances include inflation factors and industrial funded service decreases/increases as provided by OSD.

Chart D on page A-9 shows planned moves and average costs by travel category across the years. Navy's goal for fleet readiness is to man installations and ships with qualified personnel. Accession, separation, training and organized unit moves are mandatory when required to attain force levels and to provide training for that goal.

The Navy can only institute policies to change minimum move requirements for operational and rotational moves. The FY-91 moves represent 26 percent of the total Navy move program.

Only limited opportunities exist, however, to restrict these moves without upsetting efforts to maintain skill and grade balances and increase the career force. While the Navy continues to make every effort to minimize move requirements, adequate PCS funding is absolutely essential to recruit, train, develop, and retain the best fighting force possible.

We need Congressional understanding and support for the Navy's FY-91 PCS Program.

PERMANENT CHANGE OF STATION MOVES AND AVERAGE COSTS BY TRAVEL CATEGORY

<u>CATEGORY</u>	<u>FY-89 ACTUAL</u>		<u>FY-90 ESTIMATE</u>		<u>FY-91 ESTIMATE</u>	
	<u>MOVES</u>	<u>AVERAGE COSTS</u>	<u>MOVES</u>	<u>AVERAGE COSTS</u>	<u>MOVES</u>	<u>AVERAGE COSTS</u>
ACCESSIONS	101,125	689.38	92,796	798.61	88,876	762.30
SEPARATIONS	84,912	932.64	88,770	951.29	86,541	983.05
TRAINING	34,391	1,710.71	34,699	1,907.32	36,189	1,981.26
OPERATIONAL	44,274	2,694.61	43,997	3,030.87	44,704	3,164.12
ROTATIONAL	35,815	5,809.83	34,503	6,155.58	34,204	6,380.77
UNIT MOVES	5,220	3,295.40	6,128	4,138.38	6,364	4,014.30
TOTAL MOVES	305,737		300,893		296,878	
COMPOSITE AVERAGE COSTS		1,806.52		1,980.21		2,053.93

SHIP UNDERMANNING

Mr. WILSON. I am trying to think of questions that other people will ask, playing the devil's advocate. You say that it would cause you to have 79 ships undermanned?

Admiral BOORDA. Every ship in the Navy undermanned by 12 percent. It will cause me to have 74 ships that will not be capable of sailing unless I do something drastic like moving people off well earned shore duty to sea early, and I don't know how I will do that, because I am also going to have to take away the transfer money.

Mr. WILSON. Why don't you lay up ships and take the men off that?

Admiral BOORDA. We are taking 52 ships out of commission between 1990 and 1991. Fifty-two older ships, and putting 28 new ships that we bought and paid for into commission. We are getting smaller as we do that. If our commitments worldwide were reduced, that might cause a decision, but I don't see that happening.

SEQUESTRATION EXEMPTION

Mr. WILSON. One last thing—what was the Administration's reason for not exempting military personnel? Surely in your job you know the reason.

Admiral BOORDA. I won't speak for the Administration. I will speak for the Navy. What I have heard, and I have sat in on testimony with an Administration member testifying, was that they really believed that sequestration, if it came in, would be so large that force levels would come down so much, that they needed to reevaluate how much money to put back in personnel. They believed they were going to have a chance to reprogram what they thought was an appropriate amount, but they needed to see how big sequestration would be first.

I don't want to pursue that only because I am on the receiving end of that decision, not the making end of it.

Mr. WILSON. Mr. McDade.

REPROGRAMMING ISSUE

Mr. McDade. Thank you, Mr. Chairman.

Admiral, General, sorry I was delayed a few minutes getting here. It has been a busy morning. Delighted to have both of you here and to receive your testimony.

Let me say straight out that my judgment of this committee is that we will approve the reprogramming, that there is an incredible division of opinion between this committee and the chairman of the authorizing committee, who has chosen to pocket veto the reprogramming. My feeling is that if the Armed Services Committee was to act he would be overridden on a vote, so he chooses not to put it to a vote.

On the issue of sequestration and when those judgments had to be made under the law, the President had to make a judgment on 15 August of last year. If you recall, 15 August, there were all sorts of negotiations going on around here to try to reach agreements. He had only until 1 October to submit an alternative plan. That date came and went, and negotiations were still going on, and subsequently, when the Budget Committee imposed sequestration, they

did so in spite of the fact that this committee met every target and so did every Appropriations Subcommittee meet every target. We met the agreed goals.

Several committees of the Congress didn't and you can get the study showing the Ways and Means Committee missed the targets by almost \$3 billion. Instead of the Budget Committee saying all right, Ways and Means, belly up to the table and find the \$3 billion, they said, oh well, we will just take sequestration.

They could not pass across the board cuts in the military on the floor, where the people's representatives rule. It has never been tried because we know the devastating impacts that occur in the Military Personnel accounts, so they wheedled it in in reconciliation behind everybody's back in the dark of night.

We are in the light of day. The figures are coming out. The impacts are devastating, on all branches, and we are laying that record out here. We had the Air Force yesterday. My gracious, if you want to see dreadful impacts on people—I don't know how it is in the Navy, but in the Air Force officers are largely protected by law. Therefore, the burden falls on the enlisted people. Is that the same in the Navy?

Admiral BOORDA. Yes, sir.

General SMITH. Same in the Marines, but the officer pays a toll too, sir.

Mr. McDADE. By statute there are protections and there should be, because you are signing contracts. The Air Force said it was not only likely, but absolutely accurate that young people who fought in Panama would be denied reenlistment if they have to eat this thing in the personnel accounts. Do you agree with that? Do you have kids who want to re-up and can't?

Admiral BOORDA. I will have to get rid of so many people so fast it will be uncontrolled and it is unsatisfactory.

General SMITH. Same here, sir.

Mr. McDADE. You have people who went to Panama who cannot reenlist?

General SMITH. That potentially exists, yes, sir.

QUALITY OF PERSONNEL

Mr. McDADE. You know, this committee, we have had a wonderful relationship through the years in the committee itself and working with the people across the river to try to make sure the country maintains an adequate, reasonable, professional, highly efficient group, and we have been backing for years that goal by proposing the necessary dollars to give you the best kinds of people and equipment that you have got.

You have got it now, both of you, haven't you?

Admiral BOORDA. Yes, sir. I have the highest retention and reenlistment rates in the Navy that we have had in a decade. I have the best recruiting from 1988—our worst recruiting year—to 1989, our best recruiting year in 12 years. I have the lowest amount of discipline problems and many more people reaching reenlistment eligibility and staying than I have ever had.

It is exactly the wrong time to destroy what we together have done.

General SMITH. Those comments are seconded in the Marine Corps, sir.

ENTITLEMENTS

Mr. McDADE. I think we will find it unanimous, because we had the Air Force here yesterday. We have yet to hear the Army.

Let me take you to just a brief discussion in another area that we call entitlement. As we look at these, we define them as consisting of pay, allowances, incentives. Do you agree that 95 percent of the budget roughly for military personnel are now considered to be entitlements? Would you agree with that?

Admiral BOORDA. Yes, sir. It is right at 94 percent—actually a bit higher.

Mr. McDADE. What is it in the Marine Corps, General?

General SMITH. About the same.

Admiral BOORDA. The number in the Navy is actually 96.8 percent, so I only have a little bit of room to maneuver.

Mr. McDADE. Ninety-six point eight and about ninety-four—

General SMITH. About 98 percent in the Corps, sir.

Mr. McDADE. Fixed by statute?

Admiral BOORDA. Yes, sir. I have to pay people when I have them.

Mr. McDADE. When you sign up a volunteer for the service and he signs a contract for three or four years, his compensation, allowances, are fixed by statute?

Admiral BOORDA. Yes, sir.

Mr. McDADE. So you have no flexibility with respect to those accounts, and so what do you do, how do you try to manage dollar reductions of this nature? Do you just look at the end strengths, how do you do that?

Admiral BOORDA. I have to do it by phasing. When I bring people in I do it by the bonus program, selective reenlistment, aviation continuation pay, other programs that we manage. We don't use the full amount. I could pay a \$45,000 reenlistment bonus. You have given me that authority. I don't pay that much. I pay what I need to pay to get what I need.

That is what makes this reprogramming so tough, because I have lost my flexibility. As you save money in the beginning of the year, I am down to the end of the year where I have to get rid of people.

Mr. McDADE. Your flexibility is gone in the Marine Corps, too?

General SMITH. Yes, sir. We adjust our account in a number of ways, most of which are exactly the same thing. This past year we canceled an OCS class that reduced the number of OCS accessions in order to make up some of this difference.

REVIEW OF ENTITLEMENTS

Mr. McDADE. I have every confidence that we will get over this problem, but we are faced with a larger question, as we go through the four-year, five-year build-down and begin to get smaller and keep the force robust, et cetera.

Did you look at the question of whether or not we ought to in the all volunteer force, begin to change some of these equations in

order to do things like, for example, look at housing allowances, or look at other entitlements.

Admiral BOORDA. Yes. We have a seventh quadrennial review of pay coming up starting in January. That is real important, because I think our pay system has gotten way too complex. I am not sure that most people can understand all the money they are getting and how they are getting it. We have lots of bells and whistles, but it is pretty incomprehensible to the average person, and I think it is time to think about overhaul.

There are problems about how VHA works, the housing allowances. There are issues about retirement. We have reduced the value of retirement over the past decade, reduced percentages that people get, made it high three and high one, depending on when you came in the Navy. We have fiddled with COLAS every year. We have tax advantages for some things that people get if they are living on the economy, but not in quarters. We figure that in their pay.

We need to un-confuse it and I am hoping the review will have an innovative look and try to bring you something you can deal with.

Mr. McDADE. We appreciate the simplifications and we think you need to look at it, too, from the standpoint of whether or not you have to change the systems, i.e., contribute to a retirement plan for the all volunteer forces.

Admiral BOORDA. We have done that. That is an awful lot of people, I think, who don't understand that we have depressed military pay and figured the value of retirement into the worth of that pay.

Mr. McDADE. I am not talking about the new accessions. I am talking about when you begin to rotate the force out. I am not talking about changing the contracts of people who were there. As you begin in an all volunteer mode to get, we hope, an increasingly motivated individual, who wants to make a career of the military, and not have a lot of peaks and valleys, to keep them in the system.

Recognizing pay expenditure is an enormous part of the budget, are you looking at anything that would introduce savings in the form of, let's say, a new accession coming in, a cooperative retirement system, where there might be some payments into it by that individual?

Admiral BOORDA. We don't have a Navy position on that. My personal opinion—I do this at some risk, because after your statement about reprogramming, I am going to move to your district so I can vote for you.

I don't think contributory retirement is a good idea, and the reason I don't is we are going to need in the military even in an all volunteer force—and more in the Army than the Navy—turnover on the front end. So you bring people in, you train them, they do some enlistment length that the Service thinks is a minimum enlistment. It will probably be shorter for the Army than the Navy, because we are more technically oriented and they have to have that flow or you can't keep a Reserve that makes sense. We keep 40 percent of our first term enlistees in the Navy. Our career content in the Navy is about 51 percent.

My point on contributory retirement is this—if you begin to do that, then that is the people's money and so you are going to have to increase their pay to allow them to contribute. We have depressed their pay over the years because they don't contribute. So you will have to increase pay somewhat to keep this equitable.

When they get out after the first term, as 60 percent in the Navy do, you are going to have to give them that money back, so you will not save anything. You will end up costing the government money, and you will get nothing for that cost except a lot of aggravation and people who say we are losing benefits and all the things that come from a change like that.

So I think that requires a lot of study. That may not be a cost saving for the government. It will work out just the other way.

Mr. McDADE. We appreciate your opinion. Thank you very much.

Mr. WILSON. Mr. Miller.

RECRUITING AND ADVERTISING

Mr. MILLER. We are talking about letting personnel drop out of the Navy, talking about the problems that you would have, partly because there would not be the funds necessary to pay them, and because the number and volume would be less next year, and the following year, perhaps three or four.

My concern has been that we have now people that will be coming back—this applies more to people from the Army—coming back from Europe, coming back from Korea, and coming back from Japan, and most everywhere that we are really supporting our allies, but cutting back. And while this is going on, the recruiting station will still be open down the street, and we are going to paint a picture to the public that the military and the Congress and the Administration are not leveling with them, because here we have people coming out of the services and yet the recruiting is still going on.

As a matter of fact, in the budget for this present year, we have about \$200 million in advertising for recruiting. We have a ten percent increase in that I understand, in the new 1991 budget that we are working on now. I am concerned the people will see a picture of the returning troops, and then say, why would my tax dollars be spent on recruiting when we have a surplus of troops? Are they going to go in the front door and right on out the back door? Where does it stand? I would like to hear your comments on this and also what your plans may be on recruiting.

Now, I understand that military professionals and some of the technology that we have today requires people who have been trained for some length of time, and we will attempt to hold on to those if possible, with reenlistment, but if you could give us some thoughts as to where you stand on recruiting at the same time that we are going to have to release many of our enlisted personnel and officers?

Admiral BOORDA. There are certainly different kinds of people. That is the explanation. First, our advertising budget isn't going up. That \$200 million is DOD-wide, and Navy's share of that is well under \$20 million. So we keep a relatively low profile on advertising. I wish we had a little higher one. When you have a force of, in

our case, at the end of 1991 it will be 584,800 people, you need a flow in the beginning of young people who do the work that young people are supposed to do, and get trained, and you need a flow out of the force to go back to society, and many go into the Reserves.

You have to have that turnover on the front end of the military force to keep it young, vital and able to do the job, and to feed the Reserves as well as the Active force.

Our recruiting numbers will come down as the force size comes down, but if I am going to maintain a force of 550,000, I need to keep between 70,000 and 75,000 coming in every year to have a flow in the career force, and to man the Reserves. I can't simply turn off the valve at one end or the Navy will get older and older and there won't be any young, more junior people.

I don't want to recruit one person more than I have to, but I am not getting that much smaller that quickly and the difference between 1990 and 1991 in the Navy is only 5,701 people. We will be 5,701 smaller. I can do that through logical personnel actions and not have to do some drastic RIF you are talking about.

If sequestration is not approved, then I would have a whole new ball game, and you would see a disorderly process, and you would see a lot of people not being recruited. You would have people saying, I joined the Navy and now they won't let me in. That would be very hard to deal with.

Mr. MILLER. I understand that, and I feel that we have, from my knowledge of the Navy, a lot of young people in there at the present time. Five years or ten years from now, then you could fall back on the statement you make that you need the younger people to replace some that have grown older, but we have people who are trained and that costs dollars. It seems to me, we would be better off holding on to those and have those people instead of bringing in a new group that would have to be trained and it may take six months, a year, or more, to train these people before they are an available force.

Admiral BOORDA. Yes sir. My plan to reduce the Navy in an orderly way includes increasing the career content slightly. Right now we are at 50 point something percent careerists in the Navy, and I want to go up to nearly 53 percent. That is a slight change, but we are still talking about over half of a million people.

I want to reduce recruiting as I do that. What that does is it raises the average cost of a sailor and I have to keep that under control as well. You don't want me to bring everybody through for a career because then we are paying an awful lot of people retirement.

I am running something that is more than a business. This is a profession, but I am also running a business, and I have to keep long and first term people in balance, or the business gets too expensive.

General SMITH. I certainly support what my colleague has just said, sir. The Corps considers recruiting as probably one of the most demanding duties we have today. Recruiters are getting out in the competitive environment of civilian communities and picking out those top quality men and women. We are recruiting people who can get in and do the jobs in our Corps that we think our

nation expects us to do, and competition for this top quality recruit is skyrocketing.

The same can be said concerning the cost of advertising. Advertising is extremely important, and this committee has been very supportive of our advertising. In fact, I think you realigned some funds, not long ago, into our advertising account that allowed us to do more. Advertising has skyrocketed. You have to be able to communicate almost on a 12 months basis with the potential people who can come into the military services. This group of available people diminishes yearly. In fact, I think it bottoms out in 1994. So you have a smaller population of qualified military applicants competing against many influences such as other jobs, going to school, and our strong economy. Our recruiters are very concerned about what is going on in the media today on this issue of sequestration and reprogramming. They feel that this has an adverse impact on their efforts to get the quality people. Why join? They are going to tear up the contract anyway. We have already seen the impact of the media blitz concerning this railroad banging between the Administration and the Congress.

TROOP WITHDRAWALS

Mr. MILLER. How many people would you say would be returning in the next year, people who are now stationed in Europe, Korea. Do you have a figure? Some will be returned because of the political change with the Soviets.

General SMITH. Yes, sir.

Mr. MILLER. Do you have an idea how many may be returned in this next year while the 1991 budget is in effect?

General SMITH. Yes, sir. The Corps was only reduced by 235 Marines in the budget presently before you. The number of Marines stationed in Europe is not going to have any particular impact on the Corps because we don't have too many Marines over there. They are on Embassy duty. There are also a number of them in the joint staffs in Europe and various and sundry sorts of jobs like that.

The impact that political change is going to have, I think, is to put a greater reliance on the Navy and Marine Corps. We are going to have to have quick reaction forces available, coming from the sea on the flanks of Europe or NATO, or into the Baltic area. That is going to put a greater demand on the Navy-Marine Corps team, particularly on the East Coast of the U.S., for providing rapid reinforcement in the event of a problem in Europe.

General Galvin stated just the other day, before Congress, that as the withdrawal of Air Force and Army forces out of Europe continue, as a result of these talks that are going on, he is going to put more and more reliance upon the maritime forces of the United States to back up what we have in Europe.

Mr. MILLER. I can understand, and do, about the need for the quick movement of people as a strike force, and I can see how it would fit the Navy that you must move them right now. The Air Force, too, and the Marines, but I still have a problem with the fact that we have so many people who are good and trained—and probably the training costs more than salaries would amount to. In

the case of pilots that is true by far. But still, if we are going to have people returning, we should at least attempt to get them to reenlist, because they are already trained, and apparently you are working on that.

That is a big concern that the public would not understand as long as they see the recruitment office open and the picture in the paper of our military returning to the United States.

Admiral BOORDA. Mr. Miller, in the Navy, and I believe that is true in the Marine Corps as well, but in the Navy we don't have that large exodus of people you are talking about. We will continue to maintain, provided we get reprogramming with that money, we will continue to maintain our high reenlistment rates; we will keep everybody who wants to stay for a career; and we won't recruit one more person than we need.

There won't be a lot of sailors coming home. The CFE talks don't affect us. We have only infrastructure in Europe and that won't be removed. That is Army you are talking about and we are unaffected by that.

Mr. MILLER. You service them and you supply them, so I wouldn't think the requirement on the Navy would be as big if we do not have that many people as we have now, for example, in Europe.

Admiral BOORDA. The infrastructure we have in Europe is very, very small. It exists primarily to support the deployed battle groups that we have and no one is talking about reducing the deployment of battle groups. All we have in Korea and in the Philippines is infrastructure to support the ships. The thing that we would do to move Marines and Army personnel in wartime are primarily Reserve and deployable assets that we have back here in the United States.

Mr. MILLER. Thank you.

Mr. WILSON. Mr. Dicks.

MILITARY PERSONNEL LEVELS

Mr. DICKS. I regret that I was unable to be here when you presented your testimony.

The Navy end strength in 1990 is 591,000?

Admiral BOORDA. Yes, sir.

Mr. DICKS. The Marine Corps 197,000?

General SMITH. It is 196,700.

Mr. DICKS. So if the personnel reprogramming doesn't go through, you are going to have to cut 31,300 out of the Navy and about 10,000 out of the Marine Corps?

Admiral BOORDA. Yes.

Mr. DICKS. So those numbers come down to 559,700 and you would be down to 186,700?

General SMITH. Yes, sir.

SHIP UNDERMANNING

Mr. DICKS. What is the impact of that?

Admiral BOORDA. In the Navy we would underman every ship by 12 percent, have 74 ships that reach C-4, which is not combat ready. All the ships—

Mr. DICKS. Put in the record which class of ships those would be.

Admiral BOORDA. It would be across the Navy and depend on how good a personnel manager I was during a disastrous period.

Mr. DICKS. If it is disastrous why did the Administration not exempt personnel last year?

Admiral BOORDA. Mr. McDade liked his answer better than mine.

Mr. DICKS. I agree, but there are others in the House that take a different view of this. Why is it disastrous?

Admiral BOORDA. We would be breaking faith with people who want to stay. I am giving the subcommittee the numbers, but we would be withholding promotions from our very best people, and they would be paying the cost of doing the government business.

We would be breaking faith with people who joined the Navy and now can't come, officers and enlisted. We would be hurting families who are expecting to move to the tune of 14,000 this summer, extending people beyond five years on sea duty, and nobody likes that, and we would be unable to fill the billets that would become vacant on ships because I wouldn't have the people to do it, or the money to move them to the ships, so our readiness would fall. We would create a valley in the force.

Mr. DICKS. How much unmanning exists in the Fleet today?

Admiral BOORDA. The Fleet is as good as it has ever been. We are manned at 91.5 percent of total allowance and that is on purpose. We don't try to man to 100 percent. The other eight and a half percent is the Reserves.

Mr. DICKS. You go down to what?

Admiral BOORDA. We lose 12 percent of our manning at sea.

Mr. DICKS. Down to 79.5 percent?

Admiral BOORDA. Yes, sir, 80 percent, and I would do everything I could do to ameliorate that, but I would be doing bad things to people to do that—taking them off one ship and putting on another. If I had to send a ship to the Mediterranean I would try to man that ship at the expense of another, and it moves a sailor who just finished a deployment to a ship that is going to make another one.

Mr. DICKS. If overall strength is only being cut by five percent, why do we get a 12 percent manning reduction?

Admiral BOORDA. Because in the Navy when you do early outs, people on shore duty are a little more comfortable. They have finished their sea duty and they are reaping the rewards of that, and the people on sea duty are the first to run, particularly those who see a deployment staring them in the face. It is not that they are bad people—

Mr. DICKS. They reduce the reenlistment?

Admiral BOORDA. Reenlistment programs would probably only work ashore, because the people on sea duty tend to leave. We tried to get down by 6,000 people in 1988 and we lost 14,000 people. We didn't mean to, but we did.

Mr. DICKS. Would this create a hollow Navy?

Admiral BOORDA. Yes, sir. I would be down in those areas that I would be trying to reenlist over the next couple of years. I wouldn't have the people to reenlist, I would have gotten rid of them this year, and I would build a 30,000 petty officer shortfall, and the Navy would look as it did in the seventies.

ALTERNATIVE WAY TO BUILD DOWN

Mr. DICKS. Some people say we will have to come down anyway, so this is good discipline. They say we need to get a head start on reducing.

Admiral BOORDA. I can get down easily without doing terrible things to people by adjusting recruiting, by controlling who reenlists through effective use of the selective reenlistment bonus, and by really maintaining an effective tenure program that says for people who are retirement eligible, you can serve so many years and then you must retire. Similar for the enlisted to what we always had for officers.

Through those mechanisms I can bring the Navy to whatever numbers we agree it ought to be and keep faith with people and I can do that reasonably quickly.

Mr. DICKS. Can you do it without decommissioning ships?

Admiral BOORDA. We have to figure out how many ships you want to have, and let the personnel guy tell you how many people he needs to do that.

Mr. DICKS. If you have less personnel, you will have to have fewer ships?

Admiral BOORDA. Yes, sir, but my strategy is to have people not be the driver, but rather, the force size be the driver. That is different than the Army. Force structure in the Army is numbers of people. In the Navy, force structure is numbers of ships and squadrons and the people is the price you pay to have that many. If you are not willing to pay the price, reducing the number of ships and the number of people will come automatically.

This year and next we are decommissioning 52 ships and commissioning 28, so we are keeping the force young and I am bringing down the size of the Navy by 28,000 people, because I will have less sea billets to man.

Mr. DICKS. There is no strategy?

Admiral BOORDA. I can't have a separate strategy for people that does not consider force structure.

Mr. DICKS. We don't have any strategy saying we can live with four ships, have four deployments, we will cover four oceans, this is strictly a dollar issue?

Admiral BOORDA. This is turning me not into an accountable leader, but into a businessman.

MARINE CORPS STRUCTURE

Mr. DICKS. General, can you give us an example?

General SMITH. Sir, the Marine Corps has three Marine Expeditionary Forces. Our structure requires essentially 55,000 Marines for each, one in North Carolina, one in southern California, and one split between Okinawa and Hawaii.

The responsibilities and the requirements for those forces to be ready to go to war are dictated to us by the warfighting CINCs that they support. If we have to pull down and take horizontal cuts of personnel, we will create a hollow organization.

As the strategy and the requirement for our nation comes more clearly into focus, and there may be a requirement for less military forces. Then we, on a gradual slope-down, can reduce the structure,

the type of units that are manned by these men and women. That will allow a reduction of the military personnel requirement.

Up to this time, the Corps has viewed itself as the prime rapid response force in the nation. We have to fight to keep our units manned and ready with high quality service members to do this particular job. We may have a love affair with the Soviets now, and we hope that moves onto tremendous results. By the same token, the small wars, the other vital interests of our nation globally requires a maritime force to get to it. That force has to be manned and ready with quality people, and your Marines and your sailors are that force now, unrestricted by over-flight or base rights, free to go where we have to, to serve the nation.

I never hear the word readiness mentioned. This is what is important—what do you want us to do? Tell us what you want us to do, because we have been doing that pretty darn well for a number of years.

PROPOSED TROOP REDUCTION

Mr. DICKS. What will happen with a 10,000 reduction?

General SMITH. We will come down in readiness. We are now at 90 percent and I would anticipate coming down to the low eighties.

Mr. DICKS. If there is anything else you would like to put in the record on the implications, do it.

Admiral BOORDA. I did a little study on what this would cause for the Navy and with your permission, I will put that in the record.

Mr. DICKS. We would like to have that, as much as we can.

[The information follows:]

Navy

Reprogramming

86

Request

FY-90 MPN Shortfall

Total MPN Shortfall	- \$417M
- Congressional Action	
-- Increased Entitlements,	- \$132M
Mandated Reductions	
- Sequestration	- \$285M
Offsets Within MPN Account	+ \$132M
Remaining Shortfall	- \$285M

Bottom Line: All Account Flexibility Gone.
 Additional Offsets At Expense Of
 Serious Personnel/Readiness Impacts.

Actions Required To Reduce Shortfall

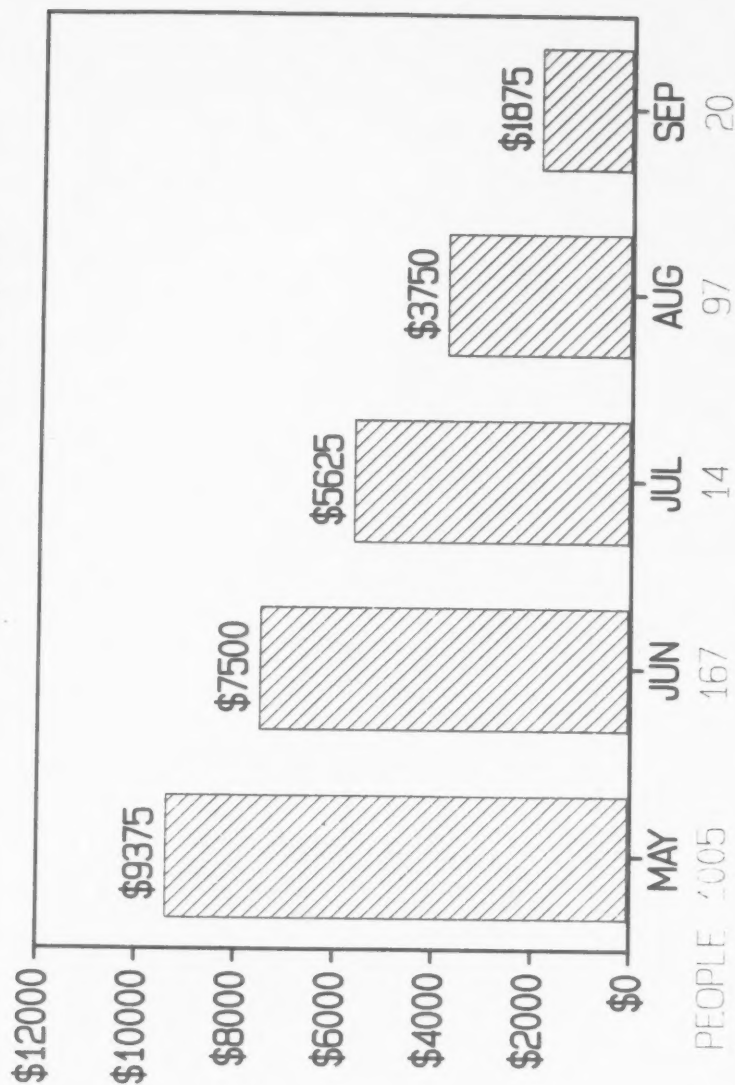
- o Delay Commissioning New Officers
(1303 NROTC Midshipmen)
- o Freeze Enlisted/Officer Promotions
(28,100 Sailors/10,100 Officers)
- o Freeze Transfers
(10,500 Sailors/3,500 Officers)
- o Terminate SRB
(9,655 Sailors)
- o Involuntary Separations
(12,500 Sailors/1200 Officers)
- o End Strength Cuts
(13,600 Enlisted Recruits --
Civilians Seeking Employment)
- o Strength Reduced By At Least 31,300

NROTC Delay

89

- Minimal Impact On Navy -- Maximum Impact On Personnel
- 1,303 NROTC Graduates Expected Immediate Commissioning And Active Duty Assignment With Associated Pay.
 - Average \$6,000 Pay Loss Per Person
- Graduates Will Have:
 - No Jobs
 - No Income
 - No Housing
 - Difficulty Making Temporary Arrangements
- Three To Four Month Delays In Reliefs Will Occur At the Junior Officer Level.

NROTC Delay Pay Loss to People



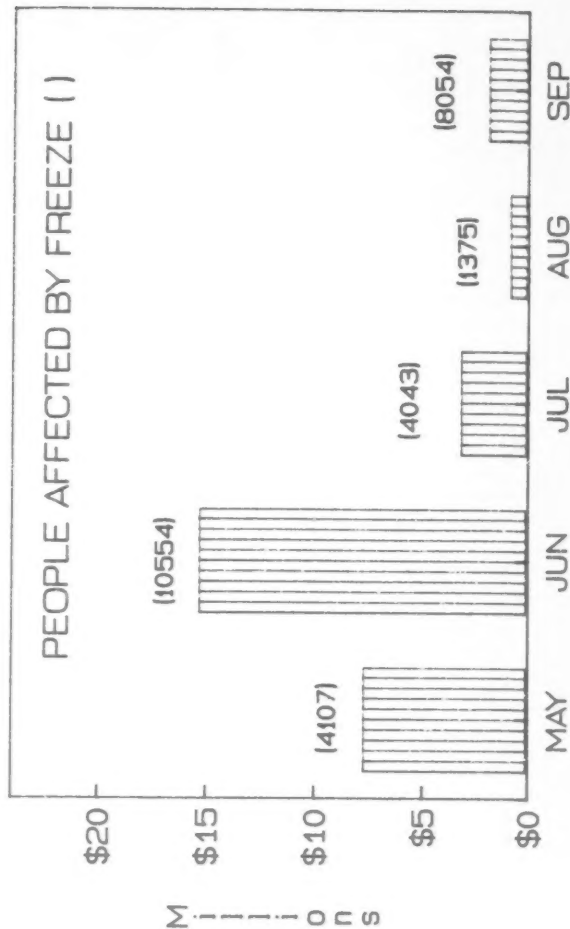
Enlisted Advancement Freeze

- \$29.0M Saved
- 28,133 Sailors Delayed 1 To 5 Months
- Average \$1,000 Lost Earnings Per Sailor
- 11% Loss In Expected Income
- Affects Only Most Deserving Sailors

Enlisted Advancement Freeze

(\$29.0M Saved - 28,133 Sailors Affected)

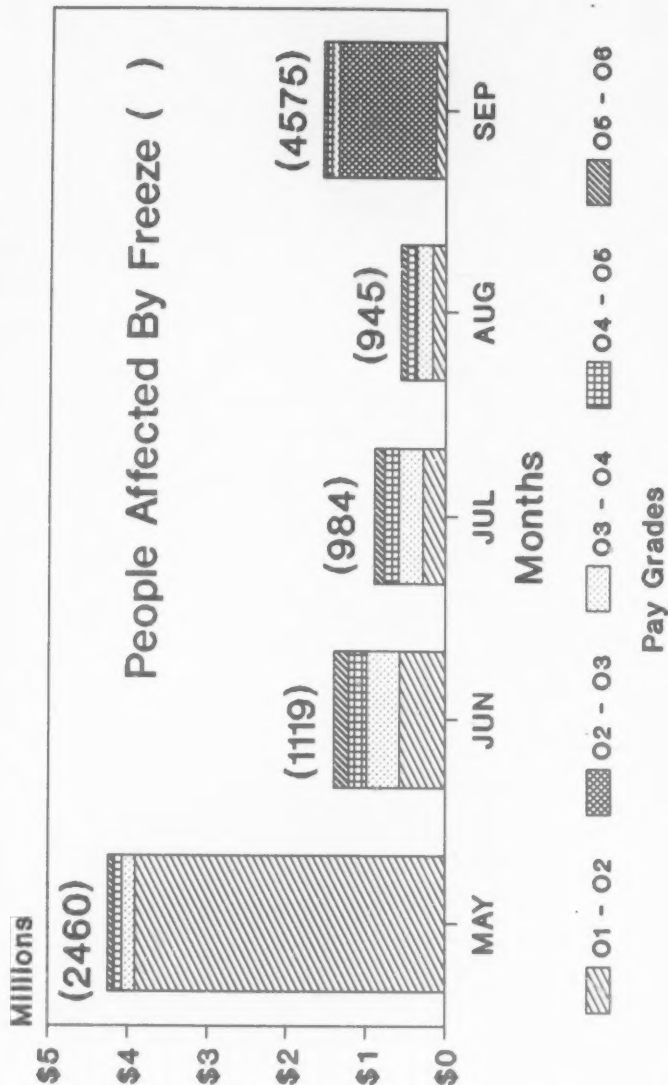
Cost To People



Promotion Freeze

- Maximum Impact Felt By 8835 Junior Officers Who Can Least Afford It.
- 3485 Officers Delayed From LTJG To LT Are The Same Officers Delayed From ENS to LTJG During FY-88 Promotion Freeze.
- People Who Lose Compensation Due To Promotion Freeze Must Pick Up The Workload Of Early Releases And NROTC Delays.

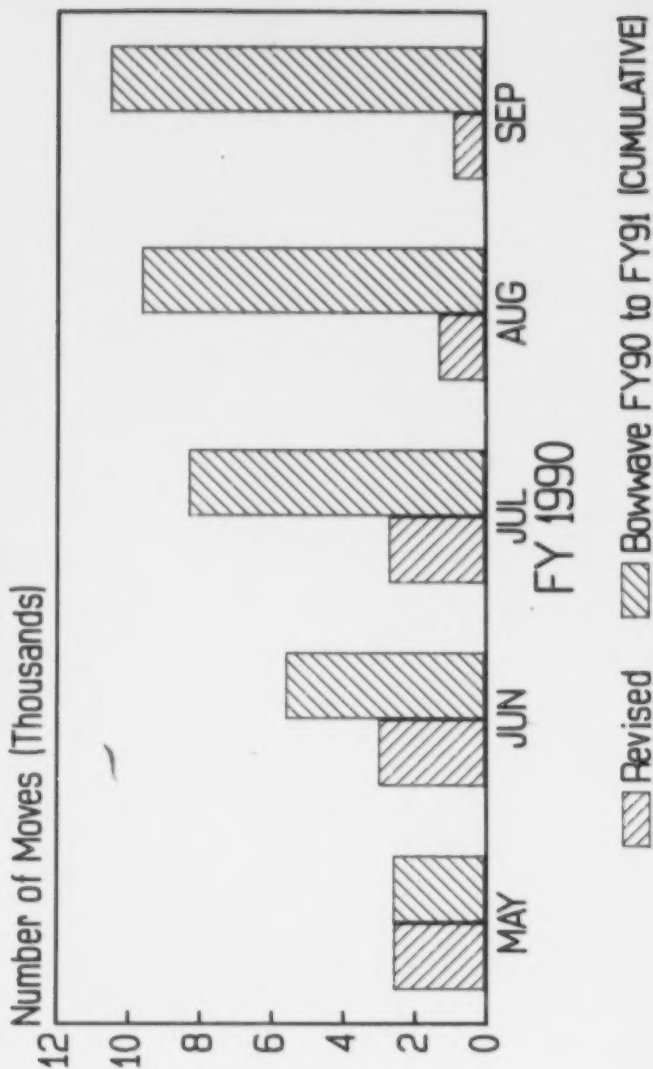
Officer Promotion Freeze (\$14.3M Saved-10,100 People Affected) Cost To People Per Month



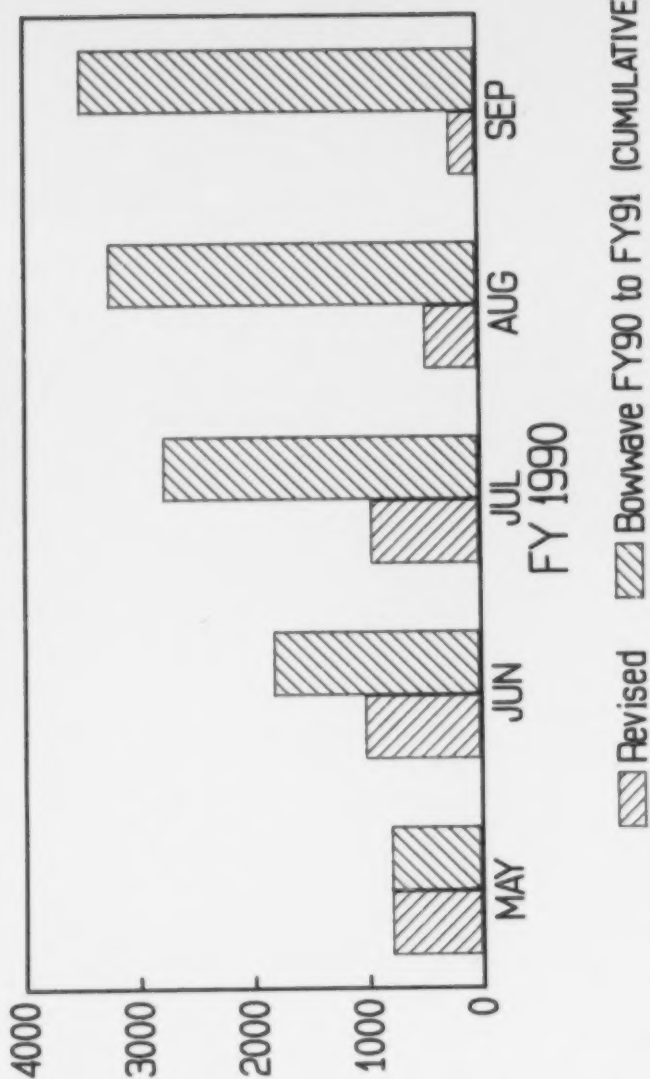
PCS Program

- o Five Month Involuntary Extension
 - 14,000 Moves Will Not Be Executed (\$32.5M)
 - 43.4% Reduction In Moves
 - 8,000 Members Extended Beyond Five Years At Sea
 - 11,000 Existing Sets Of Orders Will Be Cancelled
 - Some Members Have Sold Homes/Moved Families
 - 5,000 Reenlistment Incentive Moves Cancelled
- o FY-91 Move Requirements Increase By 14,000

Enlisted PCS Moves \$19.3M Offset



Officer PCS Moves \$13.2M Offset



Impact of Selective Reenlistment Bonus Suspension Effective 1 May 90

98

SRB Generates Reenlistments In Skills Where We Would Not
Be Able To Retain Trained And Experienced Sailors
(Otherwise We Do Not Pay SRB)

- Minimum of 9,655 Reenlistments Lost
 - 1,297 Surface Engineers
 - 681 Nuclear Propulsion Technicians
 - 1,631 Combat Systems/Operations Techs
 - 390 Aviation Techs
 - 231 Medical/Support Personnel
- Over 4000 will not be recovered
- Replacement Cost:
 - Over \$183,000 And 10 New Accessions Per Tech
 - Avg. Cost In SRB To Retain: \$14,183
 - Example: Sonar Tech With 10 Years:
 - Training Cost: \$630,000;
 - Recruits To Replace: 24.61
- Total Cost: Over \$773M, and 40,000 Untrained Accessions

Loss Of Reenlistment Bonuses

May - Sep 1990

<u>Community</u>	<u>Retention Decline</u>	<u>Personnel Lost</u>	<u>Replacement Costs (\$M)</u>
Nuclear Field Personnel	-32%	681	186.5
Engineering/ Safety	-13%	1297	166.3
Aviation	-5%	390	91.3
Operations and Fire Control	-17%	1631	311.3
Medical/Other	-11%	231	17.6
4230 Lost Reenlistments . . . \$773 Million Replacement Cost			\$

12,500 Enlisted

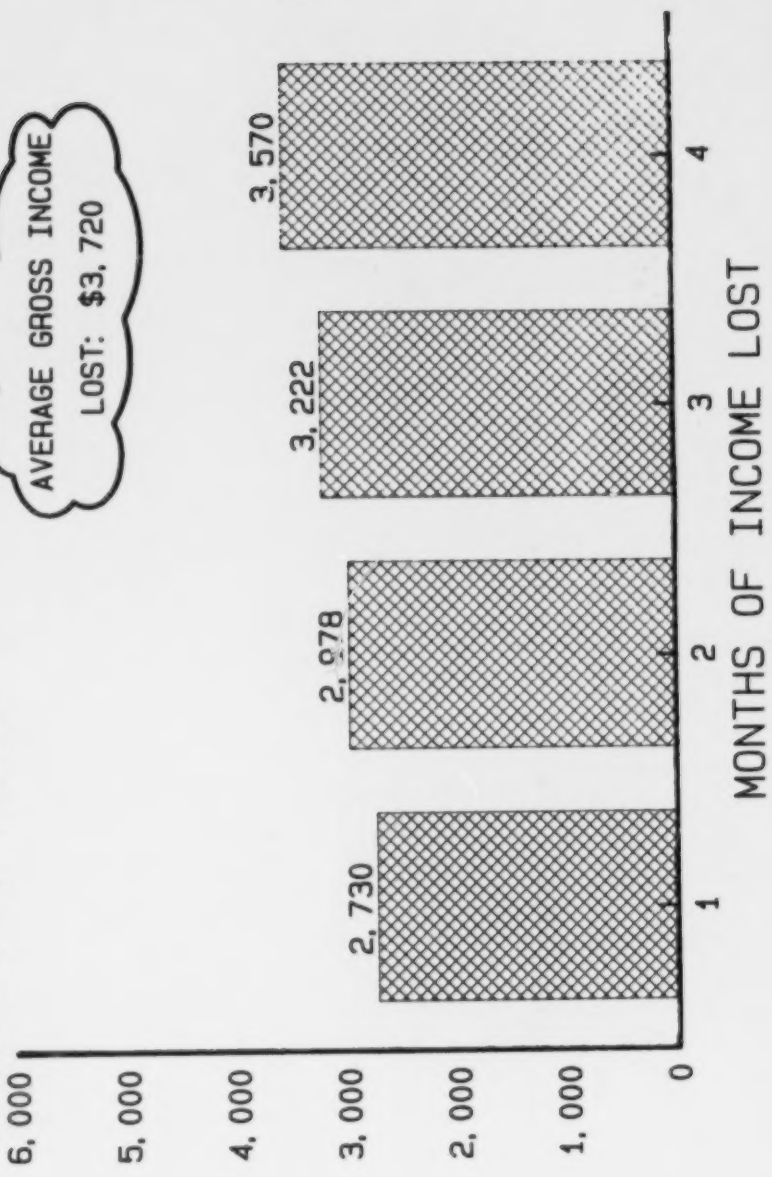
Involuntary Early Release Impact

- Accelerated Loss Of 12,500 Skilled/Experienced Sailors
- 12,500 Unemployed With One Month's Notice
 - Civilian Plant Closings Require Six Months By Law
- Significant Family Upheaval
 - Forced Out Of Government Housing
 - Children's Education Disrupted
 - Loss Of Medical Protection

12,500 ENLISTED INVOLUNTARY EARLY RELEASES

NUMBER OF SAILORS

AVERAGE GROSS INCOME
LOST: \$3,720



1200 Officer

Involuntary Release From Active Duty

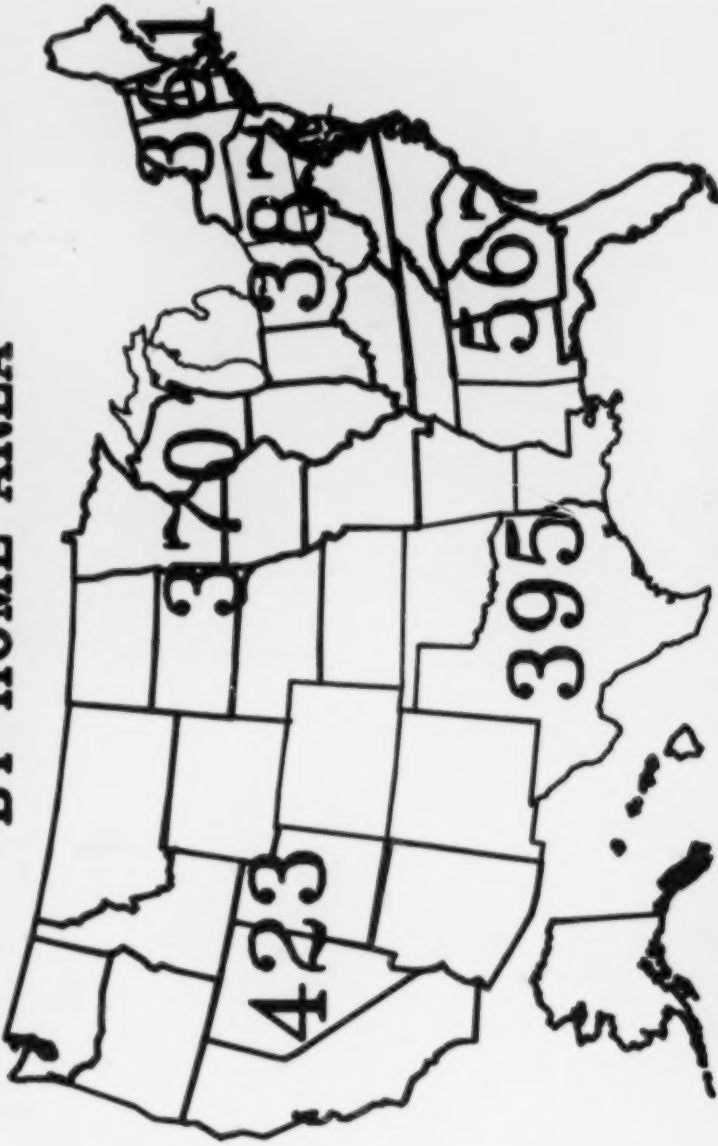
- Average LT USNR with Four Years Time In Service
- Leave One Year Earlier Than Expected
- Loss Of Salary = \$38,000 per year
- 1200 Unemployed With One Month's Notice

ENLISTED FORCED UNEMPLOYMENT BY HOME AREA



TOTAL 30,100

OFFICER FORCED UNEMPLOYMENT BY HOME AREA



BOYC DELAY 1993
IRAD 1990

TOTAL 2503

Impact Of Actions

105

- Major Shortfalls In Fleet Manning
- Drop In Retention/Talented People Leave In Droves
- Loss Of Career Protection
- Pay Withheld
- Increased Workload
- Increased Family Separation
- Major Loss Of Trust In Leadership
- Could Not Shape Force Of 1990's

Fleet Readiness Degraded

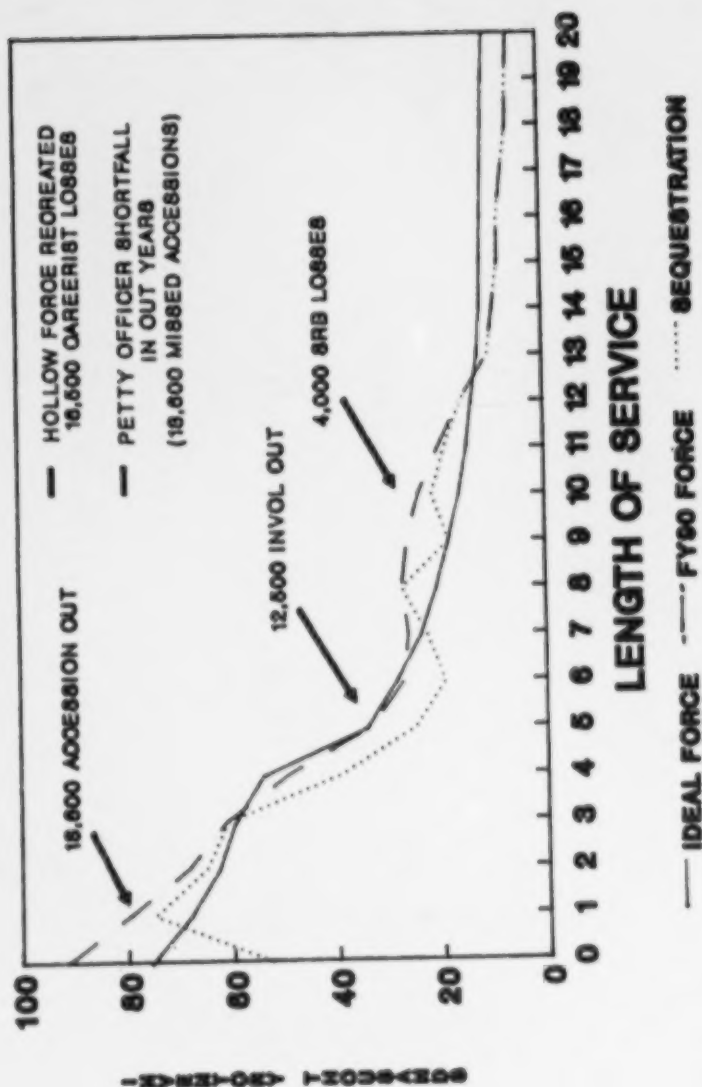
106

- 21,348 Ship/Squadron Billets Gapped (9,952 Shore Billets Gapped)
 - 9,075 Experienced Career Petty Officers
 - 10,880 Junior (E1-E3) Sailors
 - 1,393 Junior Officers
- 163 Deployed Ships/Squadrons And All Subs Manned At Expense Of Non-Deployers
 - Significant "Cross-Decking" Occurs--Sailors Transfer From Ship In Homeport Or On Local Operations To Another Ship Ready To Deploy
 - Non-Deployed Unit Manning Drops By 12%
 - Average At Sea Workweek From 81 To 91 Hrs
 - Increased Workload -- Decreased Safety
 - Recreates Hollow Units And Personnel Turbulence Of 1970's
- Readiness, Morale, Retention Decline

• • •DOWNWARD SPIRAL INITIATED• • •

13H-1

FY-90 ENLISTED 31K STRENGTH LOSS



If Reprogramming Is Not Approved, Navy Will Execute An Uncontrollable Force Reduction That:

- Hollows The Force Immediately
- Hurts The People On Active Duty
- Cuts The Quality As Well As The Size Of The Force

Navy Strategy Achieves Force Reductions And: And:

- Takes Personnel Cuts Only In Conjunction With Force Level Reduction
- Takes Care Of People Who Are Aboard Now
- Fills Sea Billets
- Maintains Reasonable Sea/Shore Rotation
- Maintains Reasonable Promotion Opportunity
- Builds For Future (Quality And Quantity)

109

FY-90 AND 91 BUDGETS SUPPORT THAT STRATEGY

Mr. WILSON. Thank you very much, General Smith and Admiral Boorda.

Admiral BOORDA. Today has been pretty helpful to me. There is a term in the Navy that sometimes your morale gets lower than a—I will leave it to you to know what the other word is. Up until today I thought we had a battle that we were fighting for this reprogramming that key Senators said they would support in the Senate; so, I thought it was us and the Senate against the House and of course, I can't play against anybody. I am a poor sailor.

It is apparent to me that we have a lot of friends in the House and I am going to go home and feel a lot better tonight.

Thank you.

General SMITH. The Corps appreciates it, too, sir.

Mr. WILSON. We will submit some questions for you to answer for the record.

[CLERK'S NOTE.—Questions submitted by Mr. Livingston and the answers thereto follow:]

RELOCATION STUDIES OF NAVAL MILITARY PERSONNEL COMMAND

Question. Have there been any Navy internal studies or internal studies performed by any offices under the jurisdiction of the Deputy Chief of Naval Operations (Manpower, Personnel and Training) on the relocation of any functions or activities of the Naval Military Personnel Command since 1981? If so, list their titles and dates for the record and provide brief descriptions of the intent of each study.

Answer. There have been no formal internal studies performed on the relocation of any functions or activities of the Naval Military Personnel Command/Bureau of Naval Personnel since 1981. The Navy Inspector General did recommend that the Recruiting Command inspector general function be transferred from Orlando, FL, to Washington, DC, and that has been implemented. On a continuing basis, the Command conducts reviews of our operations both here and in our field activities to ensure that we are performing our mission as efficiently as possible. There have been no recommendations implemented that transfer any function into or out of the Washington area.

Question. Given the cost of living expenses, variable housing allowance differences and other factors impacting the individual sailor and his family (especially enlisted personnel) in the Washington, D.C. area versus other areas of the country, wouldn't it make sense in these tight budgetary times for the Naval Military Personnel Command to explore less costly or more efficient locations for some of its function and activities?

Why isn't your Command exploring such options?

Answer. The Navy has looked at this issue in previous years, and we continue to be concerned about our sailors who are forced to live in high cost areas. We always prefer our sailors to live and work in areas where they can afford decent housing and a comfortable living for their families. We are also concerned that all our commands are located in the geographic location that best serves the needs of the Navy and, therefore, the United States.

In fact GAO is presently conducting an audit to answer these questions. Their study will (1) determine the current utilization of office space by the Navy in the Washington area, (2) assess the Navy justification for locating these organizations in the Washington area, and (3) collect information on cost and quality of life factors for both Washington and alternative locations. Additionally, the study will determine whether the Navy can reduce expenditures by decentralizing its organization.

Question. Provide for the record, by title, a list of the Naval Military Personnel Command (including number of civilian and military billets) functions and activities located in the Washington, DC area.

Answer. The following are the functions and activities located in the Washington area, including number of civilian and military billets/positions:

The Naval Military Personnel Command provides for the distribution and administration of Navy personnel to meet the quantitative and qualitative manpower requirements of the United States Navy; performs career development; and implements servicewide programs for improved human relations. Manpower consists of 523 officers, 778 enlisted, and 1,101 civilians.

The Naval Military Personnel Command Detachment, Navy Occupational Development and Analysis Center manages the Navy Enlisted Occupational Classification System (NEOCS) and Navy Officer Occupational Classification System (NOOCS); collects, processes, and analyzes occupational data and develops/validates occupational standards and qualifications in support of the NOOCS and NEOCS; develops and coordinates occupational research support. Manpower consists of 17 officers, 44 enlisted, and 43 civilians.

The Navy Appellate Leave Activity administers centralized appellate leave/tracking by maintaining a centralized focal point for all members on appellate leave and members assigned to the Federal Bureau of Prisons who are awaiting results of appellate review. Manpower consists of 2 officers, 2 enlisted, and 7 civilians.

The Navy Band provides music for such ceremonies, functions, and other occasions as may be directed by proper authority in order to best represent the Navy in a musical capacity at the seat of government and elsewhere as directed. Manpower consists of 4 officers, 169 enlisted, and 0 civilians.

The Navy Recruiting Command recruits men and women for enlisted, officer candidate and officer status in the Regular and Reserve components of the Navy; prepares for the Secretary of the Navy the documents required for original appointment to warrant and commissioned grades. Manpower consists of 63 officers, 77 enlisted, and 170 civilians.

The Recruiting Exhibit Center designs, develops, manufactures, procures, transports, and displays exhibits and other appropriate audiovisual devices in support of Navy recruiting; prepares exhibits for other Navy activities on a reimbursable and not to interfere basis. Manpower consists of 0 officers, 10 enlisted, and 13 civilians.

The Naval Civilian Personnel Center administers and executes civilian personnel (CIVPERS)/Equal Employment Opportunity (EEO) programs within the CNO command in support of policies and direction from higher authority; manages DON-wide programs

as assigned. Manpower consists of 0 officers, 0 enlisted, and 51 civilians.

Question. Provide for the record a similar list for activities and functions outside the Washington, DC area.

Answer. The following are activities and functions outside the Washington, DC area, including military and civilian billets/positions:

Navy Absentee Collection Units (9) take custody of absentees and deserters apprehended by civil law enforcement personnel and return such personnel to the proper military authorities. Manpower consists of 0 officers, 189 enlisted, and 0 civilians.

Chaplains Religious Enrichment Development Operations (CREDO) (5) assist active and retired military personnel and dependents to develop personal and spiritual resources; to take greater responsibility in life and family; and to accept themselves as a person of value to self, Navy, community, and the world. This is accomplished with retreats for the individual, married couples, teens, and for the spiritual journey. Manpower consists of 5 officers, 7 enlisted, and 0 civilians.

The Naval Military Personnel Command Detachment, Drug and Alcohol Program Management Activity, San Diego, CA, provides for and evaluates primary alcohol and drug prevention services Navywide in support of the Navy Alcohol and Drug Abuse Program (NADAP), including contract administration of the Navy Alcohol and Drug Safety Action Program (NADSAP) and quality assurance of NADAP elements, NADSAP sites, and Counseling and Assistance Centers (CAAC's). Manpower consists of 8 officers, 3 enlisted, and 7 civilians.

The Naval Military Personnel Command Detachment, Navy Morale, Welfare, and Recreation Training Unit, Patuxent River, MD, develops and executes a coordinated, comprehensive support program for fleet and shore-based commands having Navy Morale, Welfare, and Recreation (MWR) activities under the cognizance of the Commander, NAVMILPERSCOM, and accomplished through training programs, performance management and organizational development techniques to improve MWR organizations, worldwide. Manpower consists of 32 Non Appropriated Fund (NAF) civilians.

Official Navy Bands (17) provide music for such ceremonies, functions and other occasions as may be directed by proper authority, in order to represent the United States Navy in a musical capacity within local command jurisdiction and elsewhere, as directed. Manpower consists of 18 officers, 607 enlisted, and 0 civilians.

The Navy Family Allowance Activity, Cleveland, OH, determines and certifies eligibility of dependents of active, retired, and deceased Navy personnel for certain allowances, benefits, and privileges; administers policy regarding financial support of dependents of active duty enlisted members and all retired members, including garnishment of pay and allowances; controls allotments and pay account data of missing members; administers the waiver of indebtedness or erroneous payments program for members and former members of the naval service and certain non-military persons; performs tasks in the operation of the Permanent Change of Station and O&MN cost systems; performs analysis for per diem for

less than 20 weeks training. Manpower consists of 0 officers, 0 enlisted, and 117 civilians.

The Naval Home, Gulfport, MS, provides an honorable and comfortable home for old and disabled personnel of the Navy and Marine Corps, and the Coast Guard while operating as a part of the Navy, who are entitled to benefits of the institution. Manpower consists of 5 officers, 8 enlisted, and 74 civilians.

The Navy Motion Picture Service, Brooklyn, NY, procures and distributes entertainment motion pictures to Navy, Marine Corps, Coast Guard, ships of the Military Sealift Command, designated ships of the National Oceanic and Atmospheric Administration, and State Department foreign service posts. Manpower consists of 1 officer, 0 enlisted, and 53 NAF civilians.

The Naval Alcohol Rehabilitation Centers, Norfolk, VA; Jacksonville, FL; Pearl Harbor, HI; Miramar, CA; provides multidisciplinary rehabilitative and preventive services for personnel whose performance and continued military service are adversely affected through the disease of alcoholism, drug dependence, and obesity; restores to full duty those who demonstrate potential for continued useful service; provides, on a space-available basis, rehabilitative and preventive services to retired military and dependents of military personnel; provides alcohol/drug abuse training to Department of Defense health care professionals and command program staff personnel. Miramar also produces qualified Navy drug/alcohol abuse counselors. Manpower consists of 45 officers, 178 enlisted, and 100 civilians.

The Naval Reserve Personnel Center, New Orleans, LA, provides pretrained individual manpower in support of the mobilization requirements of the Navy; manages the distribution of enlisted personnel on active duty in the Training and Administration of the Naval Reserve (TAR) program; and maintains personnel information on all inactive reserve and retired personnel. Manpower consists of 23 officers, 82 enlisted, and 327 civilians.

The Enlisted Personnel Management Center, New Orleans, LA, provides centralized management support for the distribution of active duty enlisted personnel following the overall personnel management policies; provides centralized management of Manning Control Authorities' (MCA's) information system requirements as the MCA Central Design Activity; collects and disseminates manpower and personnel information as an integral component of the Manpower, Personnel, and Training Information System Program. Monitors the movement of officer and enlisted personnel through the Transient, Patient, Separation, and Discipline and student pipelines. Manpower consists of 20 officers, 139 enlisted, and 108 civilians.

The Navy Manpower Analysis Center, Norfolk, VA, develops and documents total wartime manpower requirements for all fleet and shore activities of the Navy, reviews documentation for total force manpower requirements of the naval shore establishment, maintains supporting ADP systems, and operates the Navy School of Manpower Management. Manpower consists of 17 officers, 93 enlisted, and 104 civilians.

The U.S. Naval Joint Services Activity, The New Sanno, Tokyo, Japan, provides morale, welfare, and recreation support to author-

ized personnel, provides a place for meetings between U.S. military and their counterparts in Japan; provides a place for representation affairs with Japanese counterparts; provides transient billeting. Manpower consists of 21 NAF civilians.

The Naval Consolidated Brigs, Miramar, CA; Charleston, SC; ensures the security, good order, discipline, and safety of prisoners and detained personnel; retrain and restores the maximum number of personnel to honorable service; and prepares the remaining prisoners for return to civilian life as productive citizens. Manpower consists of 21 officers, 266 enlisted, and 86 civilians.

The Navy Personnel Research and Development Center, San Diego, CA, is the principal research and development center for the Department of the Navy's planning and utilization of manpower and personnel and pursues a coordinated technical development program in the areas of education and training. Manpower consists of 5 officers, 16 enlisted, and 295 civilians.

Navy Recruiting Areas (6) manage the recruitment of men and women for enlisted and officer programs in the Regular and Reserve components of the Navy within the assigned area. Manpower consists of 78 officers, 127 enlisted, and 40 civilians.

Navy Recruiting Districts (41) manage recruiting activities within the assigned district in the recruitment of men and women who meet mental, moral, physical and other specific standards for enlistment or reenlistment; obtain the best qualified men and women applicants from civilian sources for enlistment as officer candidates and for direct appointment as officers in the Regular Navy and Naval Reserve. Manpower consists of 504 officers, 6,199 enlisted, and 445 civilians.

The Navy Recruiting Orientation Unit, Pensacola, FL, plans, directs, controls, and coordinates initial recruiting orientation and subsequent field management services for officer and enlisted recruiters and selected support personnel assigned to recruiting duty in the Navy Recruiting Command; assists in identifying practices affecting recruiter productivity. Manpower consists of 23 officers, 79 enlisted, and 8 civilians.

The Naval Civilian Personnel Data System Center, San Antonio, TX, provides management information systems support to the Department of the Navy (DON) through administration of the Naval Civilian Personnel Data System (NCPDS); represents the DON's information requirements to the Department of the Air Force. Manpower consists of 0 officers, 0 enlisted, and 20 civilians.

Question. Provide for the record the number of enlisted personnel billets and civilian billets (including military and civilian grade breakdowns) currently authorized for all NAVMILPERSCOM commands, functions, and activities for the entire Washington, DC area.

Answer. The following provides the currently authorized enlisted and civilian grade breakdowns for the NAVMILPERSCOM/BUPERS activities for the entire Washington, DC area:

Naval Military Personnel Command:

Total Civilians.....	1,101
GS-02.....	5
GS-03.....	58
GS-04.....	165

GS-05.....	157
GS-06.....	108
GS-07.....	136
GS-08.....	18
GS-09.....	65
GS-10.....	2
GS-11.....	80
GS-12.....	184
GS-13.....	15
GM-13.....	56
GM-14.....	30
GM-15.....	11
SES.....	1
WG-02.....	5
GW-05.....	5
Total Enlisted.....	778
E9.....	52
E8.....	58
E7.....	182
E6.....	207
E5.....	146
E4.....	82
E3.....	51
E2.....	0
E1.....	0

Naval Military Personnel Command Detachment, Navy Occupational Development and Analysis Center:

Total Civilians.....	43
GS-04.....	1
GS-05.....	5
GS-07.....	2
GS-09.....	0
GS-11.....	11
GS-12.....	17
GM-13.....	5
GM-14.....	2
Total Enlisted.....	44
E9.....	5
E8.....	9
E7.....	14
E6.....	8
E5.....	5
E4.....	2
E3.....	1
E2.....	0
E1.....	0

Navy Appellate Leave Activity:

Total Civilians.....	7
GS-02.....	1
GS-03.....	2
GS-04.....	1
GS-05.....	2
GS-06.....	1
Total Enlisted.....	2
E6.....	1

E4.....	1
Navy Band:	
Total Enlisted.....	169
E9.....	12
E8.....	23
E7.....	54
E6.....	80
Navy Recruiting Command:	
Total Civilians.....	170
GS-04.....	23
GS-05.....	21
GS-06.....	15
GS-07.....	20
GS-08.....	4
GS-09.....	12
GS-11.....	17
GS-12.....	35
GS/GM-13.....	17
GM-14.....	4
GM-15.....	2
Total Enlisted.....	77
E9.....	1
E8.....	5
E7.....	10
E6.....	31
E5.....	28
E4.....	2
Navy Recruiting Exhibit Center:	
Total Civilians.....	13
GS-07.....	1
GS-09.....	5
GS-11.....	6
GS-12.....	1
Total Enlisted.....	10
E9.....	1
E8.....	1
E7.....	1
E6.....	6
E5.....	1
Naval Civilian Personnel Center:	
Total Civilians.....	51
GS-02.....	1
GS-04.....	5
GS-05.....	3
GS-06.....	4
GS-07.....	1
GS-08.....	2
GS-09.....	1
GS-12.....	13
GM-13.....	10
GM-14.....	7
GM-15.....	4

Question. The conferees to the FY 1990 Defense Appropriations Bill approved bill language prohibiting the use of funds by DOD or the Navy for any personnel reductions or transfers at certain loca-

tions, including the Naval Reserve Personnel Center (NAVRESPERSCEN) and the Enlisted Personnel Management Center (EPMAC), until 60 days after certain reporting requirements to Congress are met. Is the Navy or the Naval Military Personnel Command presently considering, studying, or planning to implement any personnel reductions or changes in current operations (related and unrelated to current Navy personnel reprogramming requests pending before Congress) that would directly impact personnel or any commands, functions, and activities of EPMAC or NAVRESPERSCEN? If so, provide details of any actions and the specific reason for each.

Answer. The Navy is looking at a couple of areas that could have impact on EPMAC and NAVRESPERSCEN operations.

Chief of Naval Education and Training (CNET) has suggested that the local Personnel Support Detachments (PERSUPDET's) prepare orders for "A" School attrites rather than EPMAC in order to reduce the transient pipeline. The issue is under consideration and a test of the new procedures to determine benefits to be gained by the change and actual impact of the change will precede a final decision. If this suggestion is implemented, it would require a restructuring of the work being performed at EPMAC.

We are staffing ADP improvement plans which will ultimately reorganize the Reserve ADP effort in New Orleans. Central to the review is to place all ADP responsibility under a single organization in New Orleans. This could result in a transfer of billets and ADP design and management functions from COMNAVRESFOR or NAVRESPERSCEN, possibly both, to another Navy organization in New Orleans. This organization would be responsible for all reserve ADP matters and would eliminate the multi-ADP responsibility now operative within the Naval Reserve.

The improvement effort is not intended, nor will it result in any reduction of billets or personnel in the New Orleans area. It will provide a significant improvement in the timeliness and accuracy of Reserve personnel and pay systems.

Question. Will EPMAC maintain its authorized employment levels, or base, of 121 civilian personnel billets and approximately 200 military personnel billets in both FY 1990 and FY 1991?

Answer. EPMAC will not maintain 121 civilians. EPMAC has sustained end strength reductions in FY 1990 and FY 1991, largely due to anticipated savings from Commercial Activities (CA) studies. Their current end strength level is 108. It is more appropriate, however, to measure budgeted level of effort in terms of work years. EPMAC is budgeted for 112 work years in FY 1990 and 106 work years in FY 1991.

EPMAC currently has an allowance of 180 military billets and a temporary augment of an additional 20 billets. This temporary addition to the Navy Manning Plan is reviewed on an annual basis. The FY 1991 plan has not yet been reviewed or approved; however, it appears that EPMAC will maintain its current level through FY 1991.

Question. Are there any planned or potential furloughs for EPMAC personnel during the 3rd and 4th quarters of FY 1990? If so, for what reasons? Provide details.

Answer. We do not plan any furloughs for EPMAC personnel during 3rd and 4th quarters of FY 1990. Although EPMAC is currently slightly above civilian End Strength (E/S) and civilian work years for FY 1990, Navy is using all available means to remain within the Managing to Payroll (MTP) target in order to avoid any personnel impact at EPMAC. Furlough would be the absolute last resort used at EPMAC or any other Navy activity.

Question. What is the status of the additional new billets originally created for NMPC's Fleet Liaison Branch Office that has been dis-established?

Answer. There were no new billets added to establish the NMPC Fleet Liaison Branch. Existing billets within NMPC were used and the personnel to fill these billets (2 officers and 5 enlisted) were already serving on board.

Question. Have these new billets been added to another function or activity within NMPC in the Washington, D.C. area? Explain.

Answer. Existing billets within NMPC were used to establish the Fleet Liaison Branch in June 1989. Upon dis-establishment of the branch in February 1990, the billets remained in NMPC.

A revised program, which will provide similar service to our sailors as the Fleet Liaison Branch did, is being staffed within the Navy prior to coordination with the House Appropriation Committee staff.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston.

Committee questions submitted for the record and the answers thereto follow:]

END STRENGTH

Question. The Committee understands that there is a request for changes to the DOPMA (Defense Officer Personnel Management Act) legislation allowing the Navy/Marine Corps to have some flexibility in reducing the officer force. In his statement, General Ono mentioned that if this legislative relief is not approved, officers can only be reduced by accessions or by selectively retiring early colonels and lieutenant colonels. As the force begins to draw down, how important is passage of this legislation?

Navy answer. While the proposed legislation is not critical to the Navy in FY 1990, the Navy fully supports its passage. It will provide the flexibility to properly shape the officer corps in a balanced manner during large scale strength reductions. The legislation gives the services greater control in making smarter cuts.

Question. What impact would there be on flag officer personnel if this legislative relief is provided? Not provided?

Navy answer. If relief is provided, Navy would have flexibility in reducing the officer force. The change to requirements for the Selective Early Retirement (SER) of O-5's and O-6's will not affect flag officer personnel. A reduction in the number of officers eligible for promotion to O-7 as a result of SER action will not have a negative impact due to the large number of officers eligible for promotion.

If relief is not provided, Navy will have no additional flexibility. There will be no impact on flag officer personnel if legislative relief is not provided.

Marine Corps answer. The only aspect of the proposed legislation that can be used in the general officer communities is the amendment to the time-in-grade provision discussed above. Marine Corps brigadier generals are normally considered for promotion after one year in grade. Those who have been considered twice but are not selected are in their second year in grade and are normally concluding their first assignment as a general officer. The opportunity for such officers to retire with between 2 and 3 years in grade coincides with normal tour rotation schedules and helps to achieve desired promotion flow. If this measure is not passed these goals would not be achieved.

Question. I understand the Army has a shortage of NCOs. Is there a shortage of NCOs in the Marine Corps?

Marine Corps answer. Yes, there is a shortage of Marine NCOs. Although we promote the number we are authorized, we could use more. We are the leanest of all the Services at 31.5 percent, top five enlisted grades.

Question. The Committee further understands that the Department is working on legislation to provide severance pay for enlisted personnel who are involuntarily separated. What is your opinion on the need to compensate a service member who planned to make the service a career and then is involuntarily separated?

Navy answer. The Navy believes that there is a need for a separation pay provision for career service members who are involuntarily separated. In the current climate of potential personnel cutbacks, separation pay would reassure our career enlisted force of our commitment to their welfare, and if necessary, would ease the transition to civilian life for those personnel we are unable to retain. My goal is to avoid use of this pay by avoiding involuntary separation of men and women who want to make the Navy their career.

Marine Corps answer. It is absolutely essential to compensate the members of our all-volunteer force who are involuntarily separated under favorable conditions. Anything short of this is "breaking faith" with our service personnel. We regard the separation pay eligibility of our Regular enlisted personnel as an issue of vital concern. The total payment should be a function of longevity and base pay.

Question. What qualifications would you make on the use of severance pay? For example, should it be targeted?

Navy answer. To avoid separation pay serving as an incentive for discharge, it should only be paid to those service members who are eligible for retention and involuntarily separated due to reasons beyond their own ability to control. Those separated under adverse conditions, including poor performance, unsuitability, and like causes, should not be eligible for separation pay. Due to differences in high year tenure policy among the services, individual service Secretaries must be allowed discretion on the award of separation pay in cases where an individual is separated due to failure to advance.

The amount of separation pay should be calculated according to the formula currently in effect for officers. The cap on this amount,

currently set at \$30,000.00, should be removed to avoid penalizing more senior members discharged later in their careers. Eligibility for entitlement should be limited to career force officers and enlisted members with a minimum of seven years of service.

Marine Corps answer. Qualifications on separation pay should be based on honorable service and discharge under favorable conditions. The Marine Corps has long supported providing separation pay under these circumstances. Specific reasons for discharge eligibility for separation pay will be detailed in the forthcoming revision to DoD Directive 1332.29 (Separation Pay). I feel that policy rather than statute should remain the guideline under which we award separation pay. This allows for each Service Secretary to retain some discretionary control over individual cases/circumstances and of the amounts awarded. The only targeting I recommend is that it be awarded to those involuntarily discharged under honorable conditions.

Question. Is severance pay currently being provided to officer personnel? Under what conditions?

Navy answer. Yes. Regular and reserve officers who have at least five years of active duty, who are separated due to failing twice for the same promotion, receive separation pay under the formula provided by law. Eligible officers separated due to a reduction in force would also be entitled to full payment. Officers discharged due to substandard performance of duty are currently entitled to one-half or no payment, at the discretion of the service Secretary.

Reserve force enlisted personnel are also currently eligible for separation pay. Entitlement to full and half payments is established under guidelines similar to those for officers.

Marine Corps answer. Officer personnel are currently eligible for separation pay if they are:

- (1) Regular officers between 5 and 20 years of service who twice fail selection for promotion, or
- (2) Regular officers who exhibit substandard or unsatisfactory performance of duty ($\frac{1}{2}$ or zero payment option), or
- (3) Reserve personnel involuntarily released, having volunteered for at least 5 but less than 20 additional years of service. This includes Reserve enlisted personnel.

Question. As the force begins to draw down even lower, how important is passage of this legislation? When will it be submitted?

Navy answer. Passage of this legislation is extremely important. Separation pay is routinely provided by much of private industry, and the demands we place on our people in uniform more than justify providing this kind of guarantee to them as well. This legislation is not only the right thing to do for our career force, it will encourage talented young people to continue to seek military careers, knowing they have a reasonable expectation of financial security.

The Department of Defense is working closely with Representative Slattery and his staff to submit legislation in the March/April timeframe.

Marine Corps answer. This legislation is extremely critical in its timing. The propensity to join an all-volunteer force will be significantly diminished if our service members see that when force reductions occur, their career expectations are shattered without con-

sideration of how they will readjust to civilian life. I defer to the Assistant Secretary of Defense for Force Management and Personnel for the current status of the proposed bill. I ask that you consider the legislation vital to the continued success of the the all-volunteer force.

SEA/SHORE ROTATION

Question. What is the Navy's current sea-to-shore rotation? Does it reflect Navy policy? Explain the impact on the Navy if force reductions increase the time at sea.

Navy answer. The average career sailor spends just under four years at sea followed by a three year shore tour (4:3). This is consistent with Navy policy which stipulates that no individual will spend more than five years at sea prior to rotating ashore. Family separation (which is directly proportional to sea tour lengths) has historically been one of the top dissatisfiers associated with Naval service. To improve the quality of life of our sailors, and their families, our goal is to achieve a sea-to-shore rotation of three years at sea followed by three years ashore (3:3). This would improve retention in critical sea-going skills. If the length of sea tours increase, we will be forced to dedicate additional funding to programs such as reenlistment bonuses and sea pay to avoid a decline in retention and readiness.

RECRUITING AND ADVERTISING

Question. As the force is reduced and as the dollars become fewer, how important is recruiting and advertising to the Navy/Marine Corps?

Navy answer. The downsizing and maintenance of the new, reduced force of the 1990's will require sustaining the right balance of quality accessions and retention. Navy manpower requirements will change as the mix of ships and equipment is altered. Stopping or significantly reducing recruit input would eliminate the Navy's only ability to equitably and systematically adjust force quality and skill mix. It is vitally important for the Navy to maintain an awareness among qualified young people that the services can provide valuable and viable career opportunities. Uncertainty about the national agenda, as perceived by those both in and out of the military, will only serve to make this task more difficult. We need to recruit a higher quality mix to support the smaller, more technical force of the future (95% high school diploma graduates, 60% upper mental group and 5% lowest eligible mental group). The overall planned reduction in force does not include a commensurate reduction in higher quality recruits, the most difficult market. To be successful Navy must be able to compete with colleges and industries that place high priority on communicating to this market via advertising.

The lack of national advertising exposure in the 1980's affected Navy's ability to attract the desired quality of potential recruits. Over the last six months we have intensified advertising efforts and modified our marketing message. These efforts, sustained throughout the 1990's, will ensure a solid manpower base for the

force of the future. Recruiting and advertising are key elements in the transition to the 1990's.

Marine Corps answer. Recruiting and advertising will remain vitally important to the Marine Corps. We believe Marine forces are ideally suited to fulfill the most likely military obligations in the decade ahead. Even with a reduced force and fewer dollars, we will still need many of this Nation's finest young men and women to maintain a high state of readiness and to respond to the most probable taskings. We must, therefore, preserve our ability to attract and enlist high quality young Americans.

We have long acknowledged the benefits of having a high quality Marine Corps. Our recruiting and advertising program is key to accomplishing this vital mission. We have also long acknowledged that recruiting is perhaps the most challenging and demanding peacetime duty faced by any Marine. The Marine Corps has been supportive of its recruiting service. We fully intend to avoid any premature sizing or resource reductions.

Advertising will remain important to us also, simply because there is no one-to-one ratio between accession requirements and advertising dollars. When advertising funds are reduced, drops in awareness and propensity to enlist occur which are much greater than the percentage of funding eliminated. Despite a reduced force, awareness and propensity must be maintained especially in view of market factors, i.e., health economy, low qualified military available, and competing alternatives.

RESERVE FORCES

Question. Admiral Boorda if, as discussions seem to indicate, active force levels are reduced, how important is it to maintain strong reserve forces?

Navy answer. It will be important to maintain both a strong Active and Reserve Force capable of meeting national commitments and being able to respond to contingency operations as the "force of choice" in meeting international crisis and stabilizing regional political climates:

Mission requirements necessitate forward deployed Naval Forces, in sufficient numbers with superior capabilities. This requirement has not diminished. The United States Navy today, its size, its balanced force, and its superior personnel, are just about the minimum needed to face the uncertain security environment in the years ahead. It is important not to reduce active forces to a level which will result in our people being negatively impacted by trying to meet world commitments with reduced force structure. Furthermore, mission effectiveness and readiness are achieved by operating with demanding regularity. Modern ships and aircraft are too sophisticated, and modern Naval Warfare too complex, for it to be otherwise.

Naval Reserve Force ships and aircraft squadrons are not routinely available, short of mobilization, for rapid, indefinite deployment in crises or contingency operations. Furthermore Reservists, because of their civilian occupations, are not routinely available for extended periods.

Reserves are important and are a critical participatory part of the Total Force in the event of mobilization. The key to getting the proper force structure and Active/Reserve mix in peacetime remains balance between present and anticipated operational requirements and ensuring that ships and people can be there when needed. I am confident we can achieve the required balance.

Marine Corps answer. The Marine Corps in an in-existence crisis response force, strategically mobile, tactically flexible, and logistically sustainable. While the active forces are capable of initial commitment to a general war, our Reserve is instrumental in providing depth, sustainability, and flexibility by supplying a Division, Wing, and Force Service Support Group capable of furnishing trained individuals and units to the active force. To this end a strong, capable, and ready reserve force is a necessity.

Question. What is your role in making decisions which affect the Navy Reserve? Do you take their roles and missions into consideration as you make recommendations concerning the active forces?

Navy answer. In conjunction with the Director of Naval Reserve, I am responsible for ensuring personnel requirements are executable and also for the recruiting, training, and assigning of personnel to meet those requirements.

We do take Reserve roles and missions under consideration as we make recommendations concerning active forces. We must look hard at the commitments and capabilities that we are asking of our total force and ensure that we are not asking any one element to do more than is possible.

As we draw down active duty personnel and retain the more highly skilled and specialized personnel in the active force, there will be a smaller pool of experienced, qualified veterans who will eventually be available to the Reserve forces. The numbers cannot be ignored, and continue to be actively worked as we determine skills, roles and missions that can be supported by the Reserves. In conjunction with the Director of Naval Reserves, we review the reserve demographics very carefully to insure roles and missions assigned to the reserves remain executable.

Marine Corps answer. The Marine Corps' Total Force Policy drives the decision making process for determining the active/reserve force mix. The Total Force manpower requirements of all organizations (active and reserve) are critically analyzed by my staff in a formal and comprehensive methodology integrated into the PPBS process. Force structure analyses are documented and approved in the MAGTF Master Plans that cover every aspect of the Corps. These plans incorporate a Total Force approach to structure and manpower requirements. Structure and manning reviews are conducted by Headquarters Marine Corps, with my staff playing an integral role in the decision making process.

Question. Do you take the Reserve roles and missions into consideration as you make recommendations concerning the active forces?

Navy answer. Our manpower planning is enhanced by our commitment to the Total Force concept. The responsiveness and preparedness of our active force continue to benefit from the support offered by the Marine Corps Reserve (MCR). To demonstrate this point, the Designated Augmentation Unit Program was implement-

ed. This program features 16 Reserve infantry companies assigned for mobilization purposes to active component infantry battalions in order to provide a fourth maneuver company. We place an emphasis on maximum participation in integrated exercises which involve both active and reserve component units in order to increase the integration and interoperability of both components. We constantly ensure the MCR is adequately structured, horizontally equipped, and trained to assume the role of augmenting and reinforcing the active force when employed in a high intensity conflict. This gives the Marine Corps the sustainability and flexibility required in prolonged campaigns.

Question. Do you believe that the reserve components should be reduced at the same rate as the active force? Why? Why not?

Navy answer. Naval Reserve growth to today's level was not based on a proportional rate with the active duty Navy but instead on meeting anticipated mission requirements. We have enjoyed nearly a two-fold growth in our reserve force in the last ten years. Expansion was based on the past fiscal environment which has changed.

There are two reasons for not connecting active and reserve reduction rates. First, because of the SELRES demographic limitations and the reduced future number of veteran sailors departing from active service, the Naval Reserve Force will be operationally limited. Second, as previously mentioned, the realities of Naval Power projection worldwide do not support the Naval Reserve as a "fleet in being". The United States needs ready, capable and available assets to be a dominant force on the seas. The reduction of Active Forces, without commensurate reduction in routine commitments, removes any measure of planning flexibility that we have to ensure that we can maintain reasonable deployment lengths and turnaround times. Balance between forces and commitments remains the key for structuring both the active and Reserve portions of the Total Force.

Marine Corps answer. Reductions in the reserve components cannot be viewed in the same light as the active component, as far as rate or like units. Any reduction in the Reserve would have to be contingent in the Total Force mix, missions, structure, and roles. The size and structure of the Reserve should always be consonant with the roles and missions assigned. Any reductions would have to be examined in the light of desired reserve responsiveness and readiness for mobilization consistent with our military strategy and commitment to our allies. In the time of apparent reduced threat, limited resources, and increased warning, one could make the case for more reliance on the reserve components. To remain a credible maritime power, however, readily available naval forces means a naval force that can deploy immediately, stay for as long as necessary, and fight at whatever level of conflict the situation demands. The Marine Corps Reserve in a high intensity situation ensures that the proper level of sustainment and supportability available ensures us this capability to continue as the "force of choice."

Question. Have you participated in the DoD study on Total Force Mix required by section 1101 of the FY 1990 National Defense Authorization Act?

Navy answer. Yes, on the periphery. My staff is monitoring the study groups efforts and we will assist this group with respect to their Manpower, Personnel and Training deliberations.

Marine Corps answer. I have reviewed the DoD Charter on the Total Force Policy Study. My Assistant Deputy Chief of Staff for Manpower and Reserve Affairs for Reserve Affairs has been assigned as a permanent member of the steering committee and he will report directly to me on all matters.

Matters to be addressed by Total Force Policy Study:

The optimal structure of military forces.

The appropriateness of the missions assigned to major units.

The response time for the deployment of units upon mobilization.

NAVY FACILITIES LOCATED IN THE WASHINGTON METROPOLITAN AREA

Question. The Committee is very concerned about the number of Navy facilities still located in the Washington Metropolitan Area. The other services have decentralized many of their commands. Admiral Boorda, why does the Navy continue to retain its commands in this area?

Answer. The Navy must remain in the National Capitol Region (MCR) because of the following.

Moving Navy is largely an all or none proposition.

Navy is a platform oriented service. This involves continuous interaction between the various systems commands to plan and support the integrated ships, weapons systems, and electronics.

These commands, which are management headquarters in nature, require daily interaction with the Secretariat staffs and CNO at the Pentagon.

Navy is an integrated agency in the NCR. To change locations now would involve costly transition, relocation, retraining costs, and severance pay. In addition, there are few employment centers that can accommodate the number and provide the types of employees Navy needs. Any move would require another large urban area, thereby minimizing any lower cost that might be realized.

Question. Have there been any recent studies on whether some of the Navy's commands can be relocated from this area?

Answer. Section 2206 of the National Defense Authorization Act for FY 1990, required the Navy to study locations within the State of Virginia to most efficiently carry out its operations. The study was provided to the House Armed Service Committee and Senate Armed Service Committee on January 24, 1990. Incorporated within the study is the Battelle Report completed in March 1988. Battelle conducted a comparative cost analysis of locations in and around Washington, D.C. and the Continental U.S. The cities studied were: Washington, D.C.; Baltimore, MD; Chicago, IL; Houston, TX; and San Diego, CA.

The results on the basis of cost comparisons conclude Washington, D.C. would be the most cost efficient metropolitan area for consolidation of the Navy System Commands.

Question. The Committee believes that an undue hardship is imposed on our servicemen, especially those in the lower ranks, when they are assigned in this area. Admiral Boorda, do you agree with

this assessment? What is the Navy doing to alleviate this hardship imposed on its sailors?

Answer. I completely agree with your assessment that there is a hardship imposed on our personnel assigned to the Washington, D.C. area. I would also emphasize that this fiscal burden, although most severe in junior pay grades, is experienced by personnel of every pay grade here. As a general rule, we try to send people to the fleet for their initial Navy tour so that it's a little later in their career when they are stationed here, but that's not always possible.

One major concern is the current housing allowance system which is designed to compensate the member for 85% of his or her housing costs when government quarters are not assigned. In reality, due to congressionally mandated caps and other changes to the original system, a member's housing allowance (the combination of the basic allowance for quarters (BAQ) and variable housing allowance (VHA)) only covers 79.5% of the incurred housing costs. In high cost living areas, this out-of-pocket expense can be substantial, especially for junior pay grades. For example, a married Navy petty officer in pay grade E4 stationed at the Pentagon receives a housing allowance of only \$492.58. With apartments in the D.C. area running between \$600 and \$1000 a month, the petty officer can look at an out-of-pocket expense of about \$108 to \$500 and this equates to between 10% and 50% of his or her basic pay.

I would also like to state that this is not an isolated incident. Military personnel in this area and in every other area with a high cost of living suffer from the inadequacies of our housing allowance system. From a parochial point of view, Navy's sailors are hit with this burden more so than their counterparts in the other Services because of our base locations in high cost areas along the coasts.

To assist and support members assigned here, Navy provides or is developing the following types of programs and activities:

A strong DOD Spouse Employment Program: Navy works very hard to ensure that Navy spouses desiring to work find employment.

Child Care: Naval District Washington (NDW) has programmed \$3.34 million in Military Construction for child care programs in FY 1992. This will provide for 300 children in the Anacostia area. Opening this August are Anacostia facilities that will handle 100 children. We are looking at location options in Northern Virginia to establish a facility for 100 children. This should become operational later this year.

Information Referral Office: The NDW Family Service Center (FSC) provides referrals on matters such as child care, housing, morale, recreation and welfare activities, special needs, etc.

Starting 1 August 1990, the NDW FSC will institute a week long pilot indoctrination program for new arrivals. Topics will include schools, transportation, housing, referral for most quality of life areas, etc.

Question. What is the status of the Navy's proposal to build office space for 20,000 Navy workers in the Northern Virginia area? Admiral Boorda, have you been consulted in this decision? Do you believe this is the best step?

Answer. The General Services Administration (GSA) on the Navy's behalf, issued a Solicitation for Offers (SFO) for 3,000,000

occupiable square feet to house approximately 20,000 people. (The SFO allows an increased/decrease of 250,000 sq ft.) Actions to date include:

4 Oct 89—Issuing the procurement document (SFO).

4 Dec 89—Receiving initial proposals.

10 Jan 90—Issuing letters inviting detailed proposals to best qualified offerers.

24 Jan 90—Advertising the Notice of Intent in the Federal Register to advertise public hearings for NEPA process. (20 & 22 Feb).

Five locations have been selected. They are:

Eisenhower Ave.—A 19 acre site near Telegraph Rd. and 495, adjacent to the Eisenhower Metro Station.

Van Dorn Street—A 37 acre site fronting on Eisenhower Ave. near Van Dorn St. About 2,700 feet to Van Dorn Metro Station.

Seminary Road—A 55 acre site near Seminary Rd. and 395. Adjacent to a 47 acre botanical preserve. No proximate Metro station.

Port Potomac—A 28 acre site immediately south of Crystal City, fronting on Route 1. Proposed Metro station adjacent.

Pentagon City—A series of alternatives that involve several parcels within the Pentagon City and Crystal City complexes. Sites are adjacent and proximate to both the Pentagon City and Crystal City Metro stations.

Offerors have five months to prepare detailed proposals. Evaluations and negotiations will take another four to six months. After best and finals are received, an economic analysis will be prepared and forwarded to the Armed Services Committees as required by the 1989 Authorization Act. The earliest an award could be made is January 1991. Actual moves to the new facilities are projected calendar year 1993.

Question. Why was the decision made to keep these personnel in the Washington area rather than relocate the functions in cities with a lower cost of living?

Answer. Section 2206 of the National Defense Authorization Act for FY 1990, required the Navy to study locations within the State of Virginia to most efficiently carry out its operations. The study was provided to the House Armed Services Committee and Senate Armed Services Committee on January 24, 1990. Incorporated within the study is the Battelle Report completed in March 1988. Battelle conducted a comparative cost analysis of locations in and around Washington, D.C. and the Continental U.S. The cities studied were: Washington, D.C.; Baltimore, MD; Chicago, IL; Houston, TX; and San Diego, CA.

The results on the basis of cost comparisons conclude Washington, D.C. would be the most cost efficient metropolitan area for consolidation of the Navy System Commands.

Question. Are any funds requested in the fiscal year 1991 budget for this move? If so, breakout the dollars by appropriation. If not, in what fiscal year do you plan to request funding for this move?

Answer. There are no funds requested in the FY 1991 budget. The first move is scheduled for the FY 1993 cycle.

MILITARY PAY

Question. The statement is made that even after the military pay raise of 3.6 percent in January 1990, there is still a gap of 11.4 percent from the civilian community. By civilian community, I assume you mean the civilian business sector and not civilians employed by the Federal Government. Is that correct?

Navy answer. Yes. We measure this gap by the Employment Cost Index (ECI) which is a quarterly measure of economic growth made by the Bureau of Labor Statistics. The ECI measures the nationwide rates of change in earnings of the private sector, and state and local government employees but not federal government employees.

Marine Corps answer. It is not correct. The comparability gap measures the percentage difference between the compounded ECI, representing civilian wage increases, and military pay raises. The specific Employment Cost Index (ECI) used in this analysis is the Civilian Wages and Salaries and includes all civilians; to include those employed by the government.

Question. In this comparison, are you using basic pay or the figures contained in the Regular Military Compensation Chart? (Note: Regular Military Compensation (RMC) figures show only average compensation for all service members by pay grade and years of service. The figures include basic pay, basic allowance for quarters, basic allowance for subsistence, average variable housing allowance and the assumed tax savings on the allowances. Bonuses, incentive or special pays are not included.)

Navy answer. In the comparison with the ECI, we use the pay increases to Basic Pay, Basic Allowance for Quarters, and Basic Allowance for Subsistence, since all members receive these basic elements of compensation whether in cash or "in-kind." Other compensation variables such as the Variable Housing Allowance (VHA) and the federal tax advantage are not used in the comparison because they are only of utility when used to help assess the relative compensation value for a particular member, rather than all personnel.

Marine Corps answer. The comparison of civilian pay and military pay uses only the basic pay portion of the RMC.

Question. According to an article in the Navy Times, when the RMC figures are used, the total value of military pay rose an average of 4.2 percent instead of the 3.6 percent usually stated. Do you agree with that statement?

Navy answer. Yes. This is due to the overall increase of 3.6 percent in the Variable Housing Allowance (VHA) and the increase in the Tax Advantage resulting from the 3.6 percent increase in non-taxable allowance (i.e., BAQ and BAS). However, not all military personnel receive VHA (low housing cost areas) or reside in government quarters, elimination the gain in the federal tax advantage for these personnel. Therefore, only compensation that is received by all personnel is used to compare military pay increase to civilian pay increases.

Marine Corps answer. I cannot dispute the logic behind their story because it assumes that every Marine receives basic pay and several tax-free allowances. The tax advantage of the allowances will naturally increase the total value of military pay over a straight percentage, across the board raise.

I understand the intent of RMC is to provide a rough yardstick for comparing military and civilian compensation rates. To make comparisons is fine, but since all Marines do not receive the same allowances in cash, the percentage makes it appear that the service members received a higher raise than they actually received.

Question. Do you believe the service members would rather receive one higher dollar amount each month with less entitlements instead of the way he or she is being paid today (i.e., basic pay plus tax-free allowances, incentives, bonuses)? Why?

Navy answer. In theory, yes. Navy believes that all service members would prefer a simple pay system rather than the current complicated system of over 48 different pays and allowances. However, from a force management perspective, to effectively manage an all volunteer force, it is necessary to have a multiplicity of pays. A simple pay system would severely limit the services' ability to target incentive and special pays to areas where unacceptable personnel shortages exist, such as medical officers, aviators, and nuclear qualified service members.

Marine Corps answer. The current compensation system generally provides adequate remuneration for each member to maintain a standard of living commensurate with grade. The system also serves as an effective force management tool that uses incentives and bonuses to fill demanding billets and retain critical specialties. Although we frequently tweak the system, the fundamentals of the system work—we should not pursue wholesale changes unless we have had time to study what the impact on our enlisted force will be.

ENTITLEMENTS

Question. Entitlements, which consist of pay, allowances, and incentives are approximately 94 percent of the budget request for military personnel. How does this fact impact on the Navy/Marine Corps' ability to absorb dollar reductions? To reduce end strength?

Navy answer. The true non-discretionary portion of the appropriation is closer to 97 percent. Sizeable portions of the bonus and permanent change of station (PCS) programs are fixed dollars. I'm referring to required anniversary payments and PCS dollars for personnel coming into or leaving the Service and for the movement of ships and squadrons. My hands are pretty much tied. Big dollar savings have to come from (1) delaying accessions or sending people home early, or (2) cutting end strength early on in the year.

Marine Corps answer. This severely limits our ability to absorb dollar reductions and leads to disruptions of personnel programs to save money (early releases, freezing PCS moves and promotions, reduced bonus allocations, etc.) in the MPMC account. We must consider reduced accessions if significant dollar targets are required.

Question. Some of the entitlements came about to remedy a shortfall of one sort or another. Has the Navy/Marine Corps considered reevaluating its entitlement programs to eliminate ones which are no longer required or cost effective?

Navy answer. Yes. We review entitlement programs and policies on a continuous basis; creating new entitlements when necessary, eliminating those that have served their purpose, and increase/de-

crease dollar levels of entitlements as needed to meet personnel manning in technical/critical specialties (i.e., ACIP, Sea Pay, SRB, SDAP). As a result of our on-going efforts, compensation legislation is an integral part of the annual budget cycle.

Marine Corps answer. For the entitlements that are discretionary items that the Marine Corps can evaluate, we believe our programs are still valid and serve the purpose for which they were intended. In many cases, we would like to expand these programs but diminishing resources prevents us from doing so.

Question. Once an entitlement has been provided, it can never be changed without someone stating that the Navy/Marine Corps has broken its contract. Therefore, any changes to be proposed would probably have to contain a grandfather clause. As funds become tighter and as the force becomes smaller, has the Navy/Marine Corps studied whether entitlements should be changed for new accessions? (For example: require the new service member to pay toward his retirement and/or health care). Should they?

Navy answer. This question has come up in the past, but we have not reviewed the issue in any depth. Grandfathering would not eliminate the problem that would exist with service members serving side-by-side in the same pay grade and receiving a significant difference in benefits. Radically changing a compensation system that has worked very well (with occasional fine tuning) for the past 50 years must be approached with caution. Sweeping changes to benefit programs such as retirement or health care has a certain risk of being viewed by current military members as a continuation of an "erosion of benefits." These types of issues should be thoroughly reviewed by established study groups, such as the upcoming 7th Quadrennial Review of Military Compensation (QRMC). Personnel who join the military like the sense of security provided by the military compensation and benefit system. Radical changes in the system will send a negative signal to all personnel, even though some may not be personnel affected.

Marine Corps answer. The Marine Corps has not looked into the possibility of changing entitlements for new accessions. Since most entitlements are related to law, I believe it is appropriate that any changes should be considered by the upcoming 7th Quadrennial Review of Military Compensation (QRMC).

AIRCRAFT MECHANICS RETENTION

Question. The Committee understands that aircraft mechanics as well as pilots are being recruited by the commercial airlines. Does the Navy/Marine Corps have a problem retaining aircraft mechanics? Is there an incentive program to encourage these personnel to stay in the Navy/Marine Corps?

Navy answer. The Navy has SRB and flight pay for AD's with a Flight Engineer NEC. The SRB is targeted at the junior paygrades because of the extensive training required and the NEC is undermanned at the E3 to E5 level. Otherwise there is no incentive program to retain mechanics. The rating is very easy to recruit to and manning is above 100%. Additionally, retention for first term personnel is only slightly below the Navy average, and better than Navy average for second and third term personnel.

Marine Corps answer. In general, the retention of skilled aviation mechanics is equal to or greater than the overall service retention rates for each category (i.e., first term, intermediate/career). Some specific military occupational specialties (MOSs) have slightly lower rates, and these are receiving reenlistment bonuses.

Current retention tools, bonuses, PCS incentives, warrant officer programs, etc., are proven methods of preventing and correcting shortages. Bonuses, in particular, have had a dramatic impact. The Marine Corps is also balancing the force through a comprehensive force management program called Enlisted Career Force Controls. This program directs lateral moves to short MOSs at the first term reenlistment point after projected vacancies are filled in the Marine's original MOS. In effect, the program solves two problems—the over MOS and the short MOS.

MEDICAL PERSONNEL

Question. Congress has appropriated funds for several initiatives in FY 1990 in an effort to promote enlistment and retention of qualified medical personnel. Have these initiatives proven beneficial?

Navy answer. Increased by law, Medical Corps special pays are up 35 percent from last year (Incentive Special Pay, Additional Special Pay, Variable Special Pay, and Board Certified Pay). Too early for definitive conclusions at this early date.

Medical Officer Retention Bonus (MORB). Although too early to determine the effects of the MORB for FY 1990, to date 49 of the 1012 eligible have taken advantage. Last year's data leads to the conclusion that the MORB may have saved up to 66 physicians who would have otherwise left the Navy.

Certified Registered Nurse Anesthetist Incentive Special Pay appears to be a success. Of 113 eligible, 87 to date have elected to participate (77%).

Nurse Corps Accession Bonus is well underway with 96 percent acceptance rate of current active eligibles.

Clinical Psychologist Special Pay—Pending. There is still no response on ASD(HA)'s report to Congress.

HEALTH CARE RETENTION

Question. Have these incentives "trickled down" to the enlisted ranks? If not, when? Should it?

Navy answer. Navy is very concerned about the recruitment and retention of the enlisted health professional as well as its doctors and nurses. In order to recruit personnel to be Hospital Corpsmen, Navy offers some of the best medical training available in the country. Selective reenlistment bonuses and special duty assignment pays are offered to retain and encourage the highly qualified professionals to remain in the Navy and to take the challenging assignments. In addition, as a fallout of Congressional interest and the Navy's Blue Ribbon Panel, special emphasis has been placed on ensuring that enlisted personnel along with their officer counterparts, obtain the necessary continuing medical education required to comply with either Navy or civilian licensing or certification requirements. In FY 1989 Navy spent \$250,000 for continuing medi-

cal education for Independent Duty Corpsmen alone. In FY 1990 funding for this program has been increased to \$533,000. These initiatives are paying off in increased retention of Hospital Corpsmen and improved medical care.

CLOTHING SURCHARGE

Question. Explain the increase requested for a surcharge on clothing?

Navy answer. Defense Management Robert Decision (DMRD) 901 directed that, effective FY 1991, support costs currently funded in the operation and maintenance account for managing clothing (and other stock fund items) must be funded in the stock fund and must be reflected in the cost to the customer. The Defense Logistics Agency revised clothing prices in order to absorb all costs, including a "surcharge for operations" to cover support costs for procurement, material management, technical operations, and depot operations previously budgeted as Operations and Maintenance, Navy.

Marine Corps answer. The increased surcharge reflects decisions made as a result of the Defense Management Review. One of the primary results of the DMR was a decision to reflect within the budgets of the DOD Stock Funds the total costs of operations for items procured by those stock funds, not just the costs for the items themselves. The final price to the customer, then, would reflect these increased stock fund costs through an increased surcharge.

SUBSISTENCE-IN-KIND TO OPERATION AND MAINTENANCE, NAVY

Question. The budget proposes to transfer \$276,689,000 from the Navy and \$101,981,000 from the Marine Corps personnel accounts to the operation and maintenance account for subsistence-in-kind? Why is this being done? Do you agree with this decision?

Navy answer. The proposed transfer is actually \$287.6 million for FY 1991. The \$276.7 million refers to the FY 1990 subsistence-in-kind requirement. The decision to transfer funding to the operation and maintenance accounts was made by OSD and directed to the Services because it was felt that subsistence-in-kind is an operating cost to support military personnel. I agree with that decision. Also, since the numbers don't fluctuate much, there shouldn't be a major problem in doing this.

Marine Corps answer. The decision was made on the basis that subsistence-in-kind is an operating cost to support military personnel at the base level. We support the President's Budget.

Question. Are there any other operating costs in the military personnel appropriation that could be transferred to operation and maintenance?

Navy answer. No sir, there are no other military personnel appropriation operating cost that could be transferred to operations and maintenance.

Marine Corps answer. I am not aware of any costs that could be transferred as operating costs.

[CLERK'S NOTE.—End of questions submitted for the record.]

WEDNESDAY, MARCH 7, 1990.

MILITARY MANPOWER—DEPARTMENT OF THE AIR FORCE

WITNESS

**LT. GEN. THOMAS J. HICKEY, DEPUTY CHIEF OF STAFF, PERSONNEL,
HEADQUARTERS, U.S. AIR FORCE**

INTRODUCTION

Mr. MURTHA. The committee will come to order.

We want to welcome Lieutenant General Thomas J. Hickey, Deputy Chief of Staff for Personnel before the committee today.

You have come at an interesting time, General Hickey. We were just talking about some of the problems with the reprogrammings. I am going to ask you to not address that initially. If you will summarize your statement, we can get right into questions. Your full statement will be made part of the record. I want to finish no later than 3:00 p.m. so the committee can consider the B-1 reprogramming request.

General Hickey.

SUMMARY STATEMENT OF GENERAL HICKEY

General HICKEY. Thank you, Mr. Chairman.

In recognition of the tight schedule, I will be brief so that we can get on to the questions.

It is an honor for me to appear before this committee. This is my fourth time and each year we talk about what a tough year it is, but this one makes the others pale by comparison.

REDUCTION IN FORCE

We, in the Air Force, know that reductions are coming. We have no fixed idea of how big the Air Force ought to be. We know there is a size out there that is strategically and in the world environment what we will need to defend our nation, so we are ready to go to whatever that size is determined to be.

We don't know how deep the cuts are and how fast they are going to go. We do understand that we need to emerge with a viable, even though smaller, force once we finish the actions.

How we take those reductions is very important, not only from a people point of view, but national security, and there is an aspect, but with an all-volunteer force, it becomes very important, and I will key on that later portion, the permanent impacts today.

We are treading on new territory in this force reduction. We have never dismantled an all-volunteer force before. We have had great reductions coming out of wars, World War I, World War II

and Korea, even Vietnam. We made massive reductions, but when we came out of that we had essentially a draft-driven force, only about 40 percent of our career force was career. Today's career force is well over 60 percent and they are volunteers and they came to stay for the duration, to stay until retirement.

So the blunt thing is we have no guide as to how our people are going to react and what kinds of reaction it will foster across the nation either for the short term right now or in the future.

We think there are two guiding precepts that will apply to the way we make the cuts. First of all, the cuts ought to be done credibly, programmatic and associated with mission and hardware and jobs that are going to go away that we have determined we don't need to do anymore.

Secondly, the cuts should be made sensibly. I am talking about timing. We can do all kinds of things given a year or two or three to get those things done. We can make significant changes in our strength levels without doing undue damage and all kinds of mischievous involuntary things to our people, and with this all-volunteer force, we need to do that.

MILITARY PERSONNEL REPROGRAMMING

Within our capability within the Air Force, we have tried to meet those precepts in building this year's budget. Overshadowing our efforts at this time is the dark cloud of a congressional denial of the Fiscal Year 1990 reprogramming. The Draconian measures that we would be forced to take are impossible for our people and I will expand that as questions come during the course of the hearing.

The bottom line, it is very doubtful that we could even maintain the facade of an all-volunteer force much less have a remaining, viable personnel force at the end of this process if that reprogramming isn't granted.

Having said that, I stand ready to answer your questions. Thank you.

[The statement of General Hickey follows:]

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
HOUSE OF REPRESENTATIVES

SUBJECT: MILITARY PERSONNEL

STATEMENT OF: LIEUTENANT GENERAL THOMAS J. HICKEY
DEPUTY CHIEF OF STAFF, PERSONNEL
HEADQUARTERS, UNITED STATES AIR FORCE

MARCH 1990

NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON APPROPRIATIONS,
UNITED STATES HOUSE OF REPRESENTATIVES



Biography

United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

LIEUTENANT GENERAL THOMAS J. HICKEY

Lieutenant General Thomas J. Hickey is deputy chief of staff for personnel, Headquarters U.S. Air Force, Washington, D.C.

General Hickey was born Dec. 2, 1934, in Council Bluffs, Iowa, and graduated from Logan (Iowa) High School in 1952. He was awarded a bachelor of science degree in electrical engineering from Iowa State University, Ames, in 1956. The general completed Air Command and Staff College and concurrently earned a master's degree in public administration from George Washington University in 1967. He completed Squadron Officer School in 1963 and the Industrial College of the Armed Forces in 1974.



The general was commissioned through the Reserve Officer Training Corps program and entered active duty in the Air Force in June 1957 at Lackland Air Force Base, Texas. He then began primary pilot training at Bartow Air Force Base, Fla., and after completing basic flight training at Goodfellow Air Force Base, Texas, received his pilot wings in July 1958.

From September 1958 to December 1958 General Hickey received KC-97 transition training at Randolph Air Force Base, Texas, and then transferred to Westover Air Force Base, Mass., for aircrew duty. In June 1964, while at Westover, he became as aide-de-camp to the 8th Air Force deputy commander.

After completing Air Command and Staff College in August 1967, General Hickey was assigned to Davis-Monthan Air Force Base, Ariz., for F-4 combat crew training. He transferred to the 366th Tactical Fighter Wing "Gunfighters" at Da Nang Air Base, Republic of Vietnam, in June 1968 as an aircraft commander with the 480th Tactical Fighter Squadron. The general moved with the squadron to Phu Cat Air Base, Republic of Vietnam, in April 1969. While in Southeast Asia General Hickey flew 220 combat missions, 63 over North Vietnam.

Upon his return to the United States in July 1969, the general was assigned to the Directorate of Personnel Plans, Office of the Deputy Chief of Staff for Personnel, at Air Force headquarters until July 1973. After graduating from the Industrial College of the Armed Forces in July 1974, General Hickey was assigned to Cannon Air Force Base, N.M., where he served as the 27th Tactical Fighter Wing's assistant deputy commander for operations, then as deputy commander for operations, and later as vice commander. In August 1976 he assumed command of the wing.

In November 1977 General Hickey was assigned as deputy chief of staff for personnel for Tactical Air Command at Langley Air Force Base, Va. From June 1980 to July 1981 he was assigned to the Office of the Deputy Chief of Staff, Manpower and Personnel, Air Force headquarters, as deputy director of personnel programs. He then transferred to Headquarters

(Current as November 1986)

OVER

Air Training Command, Randolph Air Force Base, as deputy chief of staff for technical training. In September 1983 he was assigned to Keesler Air Force Base, Miss., as commander of the Keesler Technical Training Center. The general assumed his present duties in August 1986.

General Hickey is a command pilot. His military decorations and awards include the Silver Star, Legion of Merit with two oak leaf clusters, Distinguished Flying Cross, Air Medal with 13 oak leaf clusters, Air Force Commendation Medal with one oak leaf cluster, Republic of Vietnam Gallantry Cross with silver star and Republic of Vietnam Gallantry Cross with Palm.

He was promoted to lieutenant general Aug. 15, 1986, with same date of rank.

General Hickey is married to the former JoAnn Davis of St. Louis. They have two sons, Tom Jr. and Christopher.

MR CHAIRMAN AND MEMBERS OF THE COMMITTEE, I am pleased to again appear before you to discuss the Air Force's most significant manpower and personnel challenges. We appreciate your past support and ask your continued assistance in helping maintain a top quality mission-ready force. We look forward to working closely with you and other committees as we deal with some truly historic issues facing the Air Force.

We would like to take this opportunity to thank you for your help in obtaining legislation to increase flight pay and continue the Aviator Retention Bonus. We are very hopeful these incentive programs will help ease current and projected pilot retention problems. Further, Congressional action to increase physician and nurse special pay and bonuses will help us recruit and retain critical health professionals. Your support in these key personnel areas highlights your concern for the future of the Air Force.

Like you, we believe the best defense is the strength and preparedness of our people. We are therefore extremely concerned not only with their well-being but with our ability to attract and retain the right kinds of people to defend this nation. For almost four years now, I have testified before you outlining our efforts to manage Air Force personnel programs. Given the restrained fiscal environment, these coming years will be our most challenging.

As we enter the 1990s, maintaining a smaller force of quality, committed people is our greatest challenge. Current FY90 Congressional budget reductions, and the impacts of the Gramm-Rudman-Hollings Act sequestration, coupled with continuing budget deficits have placed military leaders in a critical position. We must now take actions that will affect our people, their families and the mission well into the late 90's.

Global political/military changes and fiscal constraints have forced the Air Force to drawdown force structure/programs and manpower. In the FY 91 Amended President's Budget (PBA), Air Force end strength reflects a decrease of about 38,000 military end strength between the FY 90 level requested in the FY 90 PBA and the level programmed for FY 91. Slightly more than half of this manpower reduction is associated with force structure/program reductions and includes base closure initiatives, the restructure of Air Force Logistics Command and Air Force Systems Command, and deactivation of B-52 aircraft at Andersen Air Force Base. The remaining manpower reductions (nonprogrammatic) will eventually be tied to future force structure/program reductions such as those associated with a signed Conventional Forces in Europe treaty. These changes bring the Air Force military end strength to its lowest level in 40 years. The programmed military end strengths for FY 90 (FY 90 PBA) and FY 91 (FY 91 PBA) are 567,900 and 530,000, respectively.

New entitlements/benefits authorized but not funded, fair pricing legislation and a pricing disconnect (caused by using an average cost for strength reductions vice Air Force policy of

taking the reductions at the accession level/cost) combined to drive an FY 90 shortfall of about \$600 million. This caused the Air Force to take immediate actions in FY 90 including: reducing enlisted accessions from 54,000 to 36,000, cutting Air Force Reserve Officer Training Corps (AFROTC) and Officer Training School (OTS) programs, implementing widespread officer and enlisted loss programs, reducing Permanent Change of Station moves, and limiting selective reenlistment bonus programs. These drastic measures were implemented to meet FY 90 budget shortfalls. Projected FY 91 end strength reductions (of which the Air Force will take a large share), will be satisfied through force-wide undermanning and limited force structure/drawdowns.

As stated earlier, we have a strong commitment to our people and want to ensure that they continue to receive competitive compensation for their service to this country. As we take on the challenge of managing personnel force programs in this period of transition (cutting cost, reduced defense spending, force structure changes, reduced end strength), our goal is to continue to maintain a capable high quality Air Force. Key to this effort is the assurance of continued support for adequate quality of life programs. To this end, we solicit your support and cooperation as we work together to build and maintain the world's best Air Force.

PILOT RETENTION:

Pilot retention remains a critical problem. The FY 1989 pilot cumulative continuation rate (CCR) was 36 percent, down 42 percentage points from FY 83, and the fifth consecutive year below the long term sustainment rate of about 63 percent. To set this in perspective, over 56 percent of the pilots eligible to separate during their seventh and eighth years of service did so in FY 89. This, combined with losses from other year groups, totaled 2,600 pilot losses, an increase of over 400 pilots from FY 88 and over 1,100 more than FY 1989 undergraduate pilot production.

We are now operating in an environment in which the competition for experienced pilots is much stronger and more sustained than at any time in history. Calendar years (CY) 84 and 85 were record years, with 5,465 and 7,622 pilot hires for major, national and turbojet airlines. CY 86, 87, 88, and 89 totaled 6,444, 7,010, 6,596 and 9,086 respectively. Total 1989 level is a new all-time high. These numbers are several times greater than the annual average of 1,935 hires per year from 1976 to 1983.

The Air Force has taken a number of non-monetary steps to increase retention and cushion the impact of current and projected pilot shortages. We have completely reviewed the pilot requirements structure and created an operational support career field for nonrated officers which has significantly reduced the number of non-flying pilot positions. The major commands have taken positive steps to improve working conditions for pilots. For example, Military Airlift Command (MAC) has made significant

policy changes directed at improving its flying/traveling schedule--the major source of complaints from MAC aircrews. The revised Officer Professional Development program focuses on relieving many irritants affecting our pilots' decisions to leave the Air Force. The increase in the active duty service commitment for pilot training, to 8 years in 1988 and the current selective continuation program for pilots not selected for promotion will increase the expected return on our training investments. While these initiatives should help ease short-term pilot irritants, recent monetary incentives play an essential role in the long term solution to the retention problem.

From 1974 through 1988, Aviation Career Incentive Pay (ACIP) was the only monetary incentive used by the Air Force to attract and retain career aviators. On 1 January 1989, the Air Force chose to use Aviator Continuation Pay (ACP), the pilot bonus, as an immediate fix to augment ACIP and help reverse the decline in pilot retention. In November 1989, the FY 90 National Defense Authorization Act implemented the Aviation Career Improvement Act (ACIA) of 1989, a comprehensive package which includes provisions for increased ACIP as well as continued authorization for ACP. The Air Force is using the increased ACIP to signal our long term commitment to our aviators, and the bonus program to work immediate critical pilot retention shortfalls. Because the pilot shortage is a national problem the ACIA also mandates a Presidential commission be established to address the pilot problem from a national resource perspective -- an initiative the Air Force strongly supports.

Although with your assistance we have made significant strides in our retention efforts, the continued strong civilian economic environment suggests that existing monetary and non-monetary initiatives for military members may not be enough. With this, in mind, we are actively reviewing creative, new programs to enhance the retention picture. Additionally, during these difficult times of austere budgets and force reductions, our ability to correctly evaluate the overall effect of new personnel policies on retention will be key to shaping a high quality force for the future.

MEDICAL RECRUITING AND RETENTION:

The continued readiness of the Air Force in the 1990's and beyond depends on how well we recruit and retain our health care professionals. Health profession recruiting continues to be a critical challenge. For the past two years, we have failed to meet our total physician objective and many of our nurse specialty recruiting objectives. Heightened support for access to high quality medical treatment has resulted in an increase of about 1500 new authorizations medical end strength for FY 91. Filling these requirements will be a major challenge as they represent our most difficult recruiting objectives. Both monetary and non-monetary factors contribute to the difficulty in competing with the private sector for highly qualified physicians. The nation's critical nurse shortage, declining nursing school graduates, and civilian hospital competition will continue to make recruiting nurses extremely difficult.

Legislation enacted by the FY 90 DOD National Defense Authorization Act which authorizes increases in special pays and extends the Medical Officer Retention Bonus (MORB) for physicians, should help medical recruitment and retention. Likewise, the nurse accession bonus, and incentive special pay for Certified Registered Nurse Anesthetists, also enacted in FY 90 legislation, will enhance our ability to attract high quality people in the highly competitive nurse job market. Continued congressional support of this vital area is important if we are to provide quality health care to our people and their families.

OFFICER FORCE REDUCTIONS:

In FY 90, the Air Force completed the final year of a 6,800 officer force reduction initiated as a result of language contained in the FY 1987 National Defense Authorization Act requiring the number of officers in DOD to be reduced by 6 percent. Subsequent legislation (FY 88 and FY 89 Authorization Acts) amended this DOD reduction requirement; however, the Air Force will end FY 90 with its officer strength down 8 percent from FY 1986 levels. Against this backdrop, FY 91 offers even bigger changes in managing the officer force.

The large-scale reductions in the defense budget, coupled with the reshaping of the Department of Defense through the Defense Management Review (DMR) process, have led to significant force structure and anticipated mission changes in the Air Force. This has not been without impacts to the officer force. Overall, these actions will have direct impacts on two of our officer accession sources, Officer Training School (OTS) and Reserve Officer Training Corps (ROTC), as this year will again see the Air Force at minimum officer accession levels. OTS production will continue at less than half of prior levels and ROTC will remain at the 2,500 level to avoid further adverse impacts to our current ROTC detachment structure.

However, there will be serious impacts. In the long term, the Air Force will face "experience holes" as these smaller year groups age through the force resulting in a shortage of experience leaders. In the near term, the Air Force faces manning shortages. There will not be enough people to support the current authorized force structure. This is today's environment. The Air Force reluctantly accepted these shortfalls in FY 90 and FY 91. Our intent is to rebalance the force numerically by FY 92.

Our officer reduction philosophy is straightforward. We are striving to avoid at all costs any involuntary reduction actions such as a Selective Early Retirement Board (SERB) or a Reduction in Force (RIF). Constraining accession levels is one of the trade-offs. However, as outlined above, this too is not without impacts. Reducing accessions severely impedes our ability to replenish our non-rated officer force, specifically in the operations and mission support specialties, leading to "experience holes" in the future and manning shortages now.

Our goal is to minimize these two shortfalls as we carefully down-size the officer force using a template that moves us toward

a smaller Air Force. This will be accomplished through reduced accession levels, and if necessary, liberalized voluntary early release programs. Proposed revisions to existing legislation would give us more flexibility in managing force reductions. We strongly support two of these provisions: the reduction of the time in grade requirement for retirement in grade from 3 years to 2 years, and the reduction of the active commissioned service requirement to retire as an officer to eight years for those whose combined commissioned and enlisted service total 20 or more years. It is important that we have these authorities in FY 91 and beyond, to encourage voluntary retirements and ease the traumatic effects of the actions we will need to take to affect coming reductions. Overall, as we work reductions, we must maintain the viability of a high quality career force.

ENLISTED FORCE REDUCTIONS:

In FY 90, we will have reduced enlisted end strength by approximately 20,948 from the FY 90 level requested in the FY 90 PBA. This is a continuation of downsizing the enlisted force which began in FY 88. This drawdown has been the result of continued Congressional actions causing funding shortfalls in the Military Personnel Appropriation (MPA), new unfunded entitlements and internal DOD decisions. Because of very short lead time, the actions the Air Force took to meet the shortfalls will have long-term impacts.

Due to budget driven reductions in the MPA, the Air Force announced in October 1989 an early release program for first term airmen which would separate approximately 6,000 airmen from one to eight months early. Then in December, when faced with further MPA budget reductions, another early release program was implemented to further reduce the force by more than 5,000. In order to realize the savings required to meet budget reductions, the Air Force was forced in the second early release to include, with the exception of the medical and dental career fields and Russian linguists, second term and career airmen regardless of their active duty service commitment or date of separation. This was the first time in the history of the Air Force that the early release program has been opened to all enlisted members, regardless of normal date of separation or career status. Additionally, the Air Force was forced to reduce the non prior service (NPS) accession level for FY 90 from 54,000 to 36,000. This is the third consecutive year accessions will not support enlisted manpower requirements; 36,000 is the lowest enlisted accession level in the history of the Air Force.

Other programs implemented to meet the MPA shortfalls include restructuring the Permanent Change of Station program, a reduction in Selective Reenlistment Bonus payments, and elimination of the High Year of Tenure (Service beyond mandatory retirement) Program for Chief Master Sergeants.

For FY 91, the enlisted force drawdown will continue as the end strength is projected to be 13,464 less than that of FY 90. This equates to a 13.7 percent reduction in the enlisted force since FY 86. To reach this level, the Air Force will hold non

prior service accessions to 36,000. Additionally, the Air Force is planning to limit reenlistment to some highly qualified first and second-term airmen.

OFFICER AND ENLISTED PROMOTION FLOW STATUS:

OFFICER: The continuing legislation that reduces the number of Air Force colonels allowed to serve on active duty has begun to affect promotion flow to the grade of colonel. We are projecting a 6-month increase in the phase point to colonel within the next year. This is due to the passage of large year groups through the gate for colonel selections, the lower DOPMA colonel grade ceilings which accompany recent end strength reductions, and the legislative decrement of 250 in the Air Force colonel strength. These reductions exacerbate the imbalance in DOPMA ceilings and Air Force requirements. We have a requirement for 600 more O-6 billets than we are currently authorized. It is critical that we be allowed to manage the force without arbitrary reductions being imposed. Based on these significant impacts, we request the requirement for the reduction in Air Force colonels below DOPMA ceilings be rescinded for FY 1991 and not be reinstated for the outyears.

ENLISTED: The impact of strength reductions on enlisted promotions is of great concern. The number of each Noncommissioned Officer (NCO) grade, E-5 through E-9, is computed by applying a percentage for each grade to the programmed/authorized end strength. In periods of strength reductions, the impact on promotion flows is considerably more than just the number of grades subtracted from the force. The grades of Staff and Technical Sergeant (E-5 and E-6) are an extremely crucial portion of our NCO force, they are the first line supervisors, the technicians, and the trainers. Airmen (E-4) are now being promoted to Staff Sergeant on average at 6.7 years of service, about two years later than in the other Services, and to Technical Sergeant at almost 12 years of service, three to four years later than other Services. This is not a new situation, but we are concerned about predictions for the future under some scenarios which indicate promotion timing for these grades could slip up to two or more years. We need to maintain a continued influx of our best Airmen into the NCO ranks to promote them to grades commensurate with the increased responsibilities they will need to assume.

CIVILIAN PERSONNEL MANAGEMENT:

Congress does not authorize a civilian end strength number, but allows DoD to manage the end strength by programming dollars. The change in civilian end strength between the FY 90 level requested in FY 90 PBA and the level programmed in the FY 91 PBA, reflects a reduction of about 3,600 civilian spaces. This reduction incorporates base closure initiatives, a reduction in civilian personnel specialists, the AFLC and AFSC restructure, and those adjustments associated with force structure changes. Notwithstanding, the FY 91 PBA includes a military to civilian conversion initiative accounting for an addition of over 3,100

civilians in FY 91. The programmed civilian end strengths for FY 90 (FY 90 PBA) and FY 91 (FY 91 PBA) are 262,354 and 258,741, respectively.

With respect to civilian personnel management, we believe the DMR report spells out the best vision of a more competitive and flexible system. We believe the DMR report is an essential basis for enacting remedial legislation. The DMR report focuses on critical incremental changes needed in the area of civilian recruitment and retention that will permit us to compete for quality people in the austere environment of the 1990s. The report emphasizes such changes as granting agencies the authority to directly hire personnel, providing recruitment and retention bonuses, and facilitating productivity/gainsharing programs. Finally, since 1987, we have offered surplus ROTC scholarship cadets the opportunity to serve in civilian positions and have offered temporary appointments to cadets waiting for active duty assignments. We will continue that program and will explore the possibility of expanding its use.

Further, as the Air Force focuses on strategies for force restructure, the need for flexibility becomes more critical. The ability to increase training opportunities for current employees will be critical in insuring a fully trained and highly competent civilian force. The need for new and varied attraction and retention flexibilities, including comprehensive pay reform, is even more critical when viewed against the spectrum of force restructure and implementing actions such as the recently announced DoD hiring restrictions.

TOTAL FORCE:

Manpower and force structure needed for our national security are provided by a Total Force of active, civilian, and reserve components, retirees, and host nation support. The Air Force Total Force policy, since its inception in 1973, has assured maximum military capability. We are committed to the Total Force policy which has achieved a highly effective balance that builds on the strength of each component. The force mix is continuously evaluated with a view toward optimizing mission and cost effectiveness. Thorough assessments of the right Total Force mix are especially critical as we face active force structure deviations, active and civilian force reductions, and budget cuts. With regard to the Air Reserve Components, our goal is to continue to bolster their overall mission accomplishment as vital components in our total force capability.

MILITARY PAY:

Military pay continues to be a significant factor in our efforts to attract high quality recruits and retain professional career personnel. To succeed in this era of force reductions and fiscal restraints, we must be able to assure our people of our commitment to the well-being of the Air Force family. Nothing signals the depth of that commitment more clearly than the value we place on our people in terms of pay.

Since 1982, increases in military pay have lagged progressively farther behind increases in private sector pay, and after the 3.6 percent raise for 1990, the gap is now 11.4. More alarming, military pay is now lagging inflation. Our people are beginning to feel the erosion of their purchasing power. Since 1982, the inflation gap stands at 2.8 percent, and the future outlook forecasts a widening of this most significant indicator. Even with approval of the FY 91 pay raise request of 3.5 percent, these trends will continue in 1991, with military pay lagging private sector by 12.9 percent and inflation by 3.4 percent. Though elimination of the pay gap may not be achievable in the present economic environment, we must not allow further erosion in the purchasing power of military pay. Our strong commitment to our professional force dictates every effort be made to close the pay comparability gap. Therefore, we seek congressional support for the requested FY 91 pay raise.

HOUSING ALLOWANCES: BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA)

The restructuring of the military housing allowance system in 1985 clearly indicated a Congressional desire for BAQ and VHA to reimburse our people 85 percent of the national median cost of housing for their grade. Military housing allowances now pay our people only 78.5 percent of those costs because of VHA budget limitations and BAQ increases below housing cost inflation. In recent years, we have focused much attention on VHA and its budgetary difficulties. However, inadequate BAQ also plays a vital role in the gap between housing costs and military housing compensation.

OVERSEAS STATION ALLOWANCE:

Overseas Station Allowances, which is comprised of Overseas Housing Allowance, Cost-of-Living Allowance (COLA) and Temporary Lodging Allowance (TLA) continue to be critical entitlements protecting the standard of living of our overseas personnel.

Continued support of this entitlement is critical to the well-being of our airmen and their families serving overseas. Overseas Station Allowances must rapidly respond to fluctuations of the US dollar on the overseas markets to protect purchasing power. This protection is a vital factor in overseas retention, influencing members to volunteer for overseas assignments, and extend their service there.

MORALE, WELFARE AND RECREATION (MWR):

By the end of this fiscal year, the Air Force will complete a two year effort to implement Congressional guidance designed to reallocate direct appropriated fund support from MWR activities capable of generating revenue, to those that cannot. This will happen as we enter an era where our military commitments overseas will be reviewed and down-sizing of our total force structure will likely result. As this takes place, it is imperative we send a strong signal to the remaining force that their morale, and the welfare of their dependents, is a prime concern.

We thank Congress for contributing to that effort this year. Approving overseas and remote MWR funding exceptions to the reallocation process will enable the Air Force to continue well rounded MWR programs at locations that need them the most. In addition, the flexibility provided by lifting the APF cap on MWR expenditures in FY 90 will permit the Services to fund those minimum essential activities (i.e. gymnasiums, libraries etc.) than have been funded out of NAF. Both of these actions tell the troops that Congress will stand behind its MWR funding policy and make available APFs to pay for MWR programs that are considered vital to the mission and basic community support.

As we work to fully implement the new funding policy, the Air Force needs Congress' help in two other areas; reimbursement and portability, to reassure our MWR employees that they will be protected during the funding transition. To realign APF support, many nonappropriated employee positions in Categories "A" and "B" will become appropriated positions. In turn, appropriated positions in Category "C" will become nonappropriated positions. Portability legislation is needed to allow employees transferring between the NAF and APF personnel systems to carry with them their hard earned benefits, such as salary, seniority, retirement credit, leave, and health insurance. Legislation to enact portability is currently being considered by the House Post Office and Civil Service Committee and we seek other committee's support for approval.

The new Congressionally approved funding policy establishes two separate MWR work forces, APF and NAF. The Air Force is currently using APFs to reimburse the salaries of some NAF employees who are filling newly validated APF positions in categories authorized taxpayer support. However, authorization to continue APF reimbursement will expire at the end of this fiscal year. Reimbursement is not a temporary substitute for portability but is needed in conjunction with it beyond 1 October 1990. Without reimbursement, constant movement of personnel between the APF and NAF personnel systems would be necessary to staff headquarters and remote and isolated bases where employees in business activities are APF while employees doing the same job at bases that are not remote and isolated are NAF. This would result in an unwieldy personnel management situation which could stymie career progression. With reimbursement, all business category positions could be in the NAF personnel system, allowing all employees to compete equally for jobs in the same skill level specialty and allow APFs to reimburse NAFs for those positions authorized APF support.

Portability will protect employee benefits when they move between the APF and NAF personnel systems. Reimbursement will allow employees to stay in their current personnel system despite a change in the source of funds paying their salary.

CONCLUSION:

Mr. Chairman and members of the Committee, the Air Force remains committed to maintaining a high quality mission ready force to meet worldwide commitments. Given the current and projected fiscally restrained environment, we want to ensure our quality of life programs remain service oriented and our compensation programs are adequate. As we enter the 1990s, we once again seek your continued support of those critical programs which enable us to recruit, train, and retain quality people needed to carry out the mission.

ENTITLEMENTS

Mr. MURTHA. Let's start with the technical aspects of this, because what we have to be able to do is to talk to other Members about the complexities of reducing an all-volunteer service.

For instance, what percentage of the Air Force budget is personnel?

General HICKEY. The actual personnel account is a little over \$20 billion out of the total budget of close to \$90 billion. But there are other hidden accounts that support personnel.

Mr. MURTHA. We use the figure of over 50 percent of the costs of the services for personnel costs.

General HICKEY. I think within the Air Force uniquely, it is something closer to 40 percent but it does vary by Service.

Mr. MURTHA. Entitlements, according to the staff, represent 94 percent of the appropriation. We are talking about personnel.

General HICKEY. Yes, sir.

Mr. MURTHA. Are you considering, since we are getting a smaller force, changing the entitlements, for instance, the number of years it would take to get a pension? Are changes to the entitlements being considered as we start to reduce the size of the force, because there will still be competition to come in? Have you talked about that?

General HICKEY. Yes, sir. Entitlements cover such a wide spectrum of things. The one end of the entitlement spectrum is the selective reenlistment bonus program. We go through that twice a year, look at the skills and change the multiple and zones that are eligible so we play that like a concert piano and it changes twice a year at least, so it is a constantly moving process.

GI BILL

Mr. MURTHA. I am thinking about the GI bill, for instance.

General HICKEY. The longer term things, health care, for instance, specifically, retirements, basic pay, basic allowances, flight pay, those where you are dealing with things that are sensitive and institutionalized you run into the process of dealing with stability.

One of the two primary factors that people stay with us for is their ability to plan and the stability of what they think they are enjoying in a career. So there are some portions of those entitlements that you can have a long-term detrimental effect in terms of whether or not they would help or hurt you in retention and accessions.

Mr. MURTHA. I am asking though for the new recruits. I remember vividly, and you may remember this, the Carter administration recommended that we change the pension system in the military so that people could retire at 23 years.

General HICKEY. Yes, sir.

Mr. MURTHA. They wanted to increase it unilaterally for everybody that was in the service. We said, "No, do it only for the new enlistees." They didn't save any money that way, and the issue fell by the wayside.

If we had implemented that at that time, we would be halfway through the 23-year cycle. I am asking, those kinds of changes—when the new people come in, for instance, have you considered

eliminating the GI bill because we don't need as many people as we did before, and it is obviously an incentive to come into the service?

General HICKEY. It has not to my knowledge been reviewed. It will I am sure over time. At this time, though, we are going to be very happy that we have it because we are going to have an awful lot of transitioning of people into the civilian economy and that GI bill will have more of an impact ala World War II for veterans I think than we ever anticipated it would.

Mr. MURTHA. If they join, but a lot of them decided not to join because they were going to stay 20 years.

General HICKEY. They joined for the GI bill and we have a 75-77 percent rate in the Air Force. The Army is higher than that.

Mr. MURTHA. That answers one question for the people advocating reducing the size of the Service. They are concerned about the high-unemployment impact, but this would give a transition period because they would be able to go to school?

General HICKEY. Yes.

Mr. MURTHA. What percentage of them?

General HICKEY. To be honest, I don't know. For the record, I could estimate. I don't know which of those people that have signed up for the GI bill would be those that would be affected by what actions we take.

[CLERK'S NOTE.—The information provided by General Hickey is on page 177.]

OFFICER-ENLISTED RATIO

Mr. MURTHA. Are you able to address the officer-to-enlisted ratio under present law? For instance, if you start getting rid of people, or say we mandate next year you have to get rid of 100,000, do you have a different problem with officers than you do with enlisted?

General HICKEY. Yes, and it does cause us a problem. It is one of the reasons that the DOD has asked for some adjustments to DOPMA, so for two or three years we could encourage and entice more losses than currently.

I worked on DOPMA and it took 11 years to build. It has within it capability to do several kinds of adjustments, but it isn't geared to handle massive realignments and dismemberments of the Armed Services, so it hurts.

We do not manage by officer-enlisted ratio. We are sensitive to it because we have so much sensitivity on the Hill, but we look at officer requirements and enlisted requirements and do those based on force structure and only afterwards do we look to see if we will have so much disconnect we will have problems on the Hill.

I suggest that if officer-enlisted ratios have a useful purpose, and they may, it is not to measure one Service against another but for you to track over time about how a given Service is adjusting and whether it maintains a somewhat constant ratio unless there were structural differences that mandate the change.

OFFICERS REDUCTIONS

Mr. MURTHA. If you have less wings, you are going to need less officers.

General HICKEY. That is true.

Mr. MURTHA. What can I report to the committee or what can you report to the committee about, say, the highest-ranking officers? Certain Members of Congress have always felt that in peacetime we are always heavy on flag officers. What do you see happening in that regard? Can we believe that the Air Force will get rid of some people from the Pentagon instead of just out in the field?

General HICKEY. I can't tell you where they are coming from. I am convinced over time we will restructure headquarters and the organizations within the Air Force depending on the drawdown sizes it will impact on general officer reductions.

We hesitate to do that but I refer back to the DOPMA tables and point out that from 1976 where we are going to be in another year or so, we are going to be within a percent or two—of where we are today, we are within a percent or two of our strength. We have about 12 percent fewer generals on board today than we did in 1976 with about the same size officer and enlisted force.

I can't take credit for that nor can the Services. The Congress imposed those cuts.

We are significantly below something to the tune of 50 general-officer-funded authorizations, below what we would normally be authorized in DOPMA. It is 380 for current 100,000 of force and 338 is what we have.

Having said all of those things, yes, sir, I expect that the senior officers will come down.

Mr. MURTHA. How will you do that? Let's say a person has over 20 years. How will you get rid of colonels and lieutenant colonels, for instance?

General HICKEY. There are two ways. One is there is a good deal of attrition, and so some of it will take care of itself just by normal attrition and not replacing.

If you want to gain a reduction in the strength of the colonel force, you will have x numbers that are retired each year; you can slow down the promotion rate, and that gets the net number down. If that doesn't give you a minimum flow of promotion, DOPMA provides the selective early retirement process in which we have authority to hold a board and ask people to go home early.

Mr. MURTHA. Only a certain percentage can be selected out?

General HICKEY. Yes.

Mr. MURTHA. If there was a mass reduction, you would need a change in the law to be able to select out?

General HICKEY. It would take a very massive reduction to exceed the 30 percent retirement.

I know that one of the provisions that is being asked primarily on behalf of the Army is that right now DOPMA says once you look at that pool of eligibles, you can take 30 percent of them, but once they have been looked at in order to give them some tenure, you don't look at them for another five years.

The request would suggest that you look at the same pool year after year, so you could take 30 and 30 and 30 and pretty soon they are all gone. From even the most significant cuts that I see in the Air Force, we would probably not break faith with our people and do less than a five year.

Mr. MURTHA. Now, under 20 years, how do you get rid of the officers under 20 years?

General HICKEY. Two ways. You can encourage them to go home early voluntarily, and there are many ways to do that. One is to forego the investment that you have made in them and give away active-duty service commitment, so you give up that investment and let them go home early.

Mr. MURTHA. Convenience of the government?

General HICKEY. Yes.

Mr. MURTHA. Does that include severance pay of some sort?

General HICKEY. That would not.

Mr. MURTHA. If you would have over 14 years and less than 20, there would be severance pay?

General HICKEY. Five years of commissioned service under today's law and you are involuntarily separated either through twice failure of promotion or by a separation action board; we have to give them notification that the board is going to meet so they can defend themselves, hold the board, process the list and they have to be gone by the first day of the seventh month after the list is approved. That takes 10 or 11 months, and we need to do that early on in the year in order to have any effect.

In those cases they are authorized a readjustment pay up to \$30,000.

Mr. MURTHA. So that costs money. It takes 11 months and it costs \$30,000 or a stipend, whatever that might be.

What about acquisitions? We talked earlier about people coming in and giving up their lease. They are ready to come in at a certain time, sold their houses, people that are enlisting, what problems do you see there? Do you just drop them at no expense to the government, or is there a monetary penalty to the Service?

General HICKEY. There is nothing that guarantees rights—a young high-school graduate who is in the delayed enlistment program waiting to come on board, if we are forced under this process of reprogramming denial to do so, we would just cancel him and say, "Forget what we told you; we are not able to bring you on board." We have no way to remunerate him nor does he have a right to a claim.

DELAYED ENLISTMENT PROGRAM

Mr. MURTHA. Are you still enlisting seniors in advance?

General HICKEY. Yes, sir, we are enlisting into the delayed enlistment program and in filling class seats at a reduced rate because right now, particularly over the last few weeks, we are in a very "iffy" situation and we understand that we are.

Mr. MURTHA. So obviously, if word goes out that the reprogramming is not approved, then you would immediately have to start notifying these people that they would not be able to go in in two or three months?

General HICKEY. The impact is faster than that. If I declared and froze accessions on Monday, the first group that would not show up would be Thursday's class, so there would be people with 24 to 72 hours worth of warning time that they weren't going.

You are right, people have quit jobs in anticipation of coming on board, move families, some go into debt to come on active duty, and

they pay it off afterwards. We will have some people that get caught in that process.

TROOP REDUCTIONS

Mr. MURTHA. Well, I don't see any other way in short-term savings except manpower. That is the only place I see savings. When I say short term, I am talking about the fiscal year 1991 budget.

So I think you have to look very hard at whatever your proportion of 100,000 less troops would be for next year. I am just saying that for planning purposes, because in the models that we have worked out over and over again, and I may be optimistic about the figures that I am talking about, there is no way I can see we can get to meet Gramm-Rudman-Hollings guidelines without having those kinds of personnel cuts next year.

We are trying to get a threat evaluation and the threat changes so rapidly and so often that you can't keep up with it, which means the DoD has a hard time saying how many forces they need. It continually changes. But there is no question there is going to be cuts because a majority of the Members responding to the popular will back at home are going to want some adjustments and those adjustments could be much more than I am predicting.

I feel that if we can get through this year; then fiscal year 1991 I see as being a crucial year and from then on, because of the personnel cuts, we should be able to adjust the rest of the budget without destroying readiness or things we have built up, such as housing and depot maintenance. But it is going to be a very difficult year.

Mr. Young.

FLIGHT PAY

Mr. YOUNG. Thank you, Mr. Chairman.

General, you expressed concern in your statement about losing pilots. I think you indicate that we are losing 1,100 more pilots each year than we actually train.

Last year this committee increased the budget request by \$118 million for the flight pay. As you know, we were not able to sustain that position in conference because the Chairman of the Senate committee was of the opinion that pilots would fly just for the fun of it and that money wasn't a big issue. Talk to us about that.

Are you able to find the money to fund that program despite the fact we didn't appropriate it?

General HICKEY. Yes, sir, we made a commitment that if we got that authority, we were into such deep trouble with pilot retention that we would find a way to fund the flight pay increase. And we did so.

It was part of the total MPA bill that I had to pay over and above from cuts. That total was \$601 million, of which \$53 million was flight pay.

It also gives me a dichotomy in that I find now I am firing people and putting them out of the Service part of it to offset the increase in pay I am giving other folks, and that is a difficult thing to do and to justify and to explain to those people that are affected, but that is the condition we are in.

I would like to be able to tell you that flight pay increase has done wonderful things, but I can't. It hasn't been in operation long enough.

For the first time since the four years that I have been Deputy Chief of Staff of Personnel, we aren't on a continuing slide in retention. We have gone from a 50's percentage of continuation rate for pilots in the Air Force in 1986 to 36 percent last year, and we are holding there now.

Our surveys tell us that if we did not have the bonus and flight pay probably somewhere between 31 and 33 percent would be staying with us, so I need to be very careful that you understand that the flight pay and the bonus money that we are spending is paying for itself two or three times over in terms of retained pilots and many years, but at the same time it is lacking in getting us the kind of retention we need to get rid of that deficit of 1,100 per year. We need to get close to 60 percent retention in order to just keep the training level.

COST OF TRAINING A PILOT

Mr. YOUNG. Do you think that once pilots are convinced that this program is stable, do you think that it will improve beyond the factor that you are using today?

General HICKEY. I think that there is a good chance for things to improve in the pilot world, but it is a very long-term process and it has to do with part of an ACIP bill which tasked the Air Force to come back to the Congress with a report on a shortage of pilots and how we might solve that problem.

I think that will be a successful mission and I think we could provide the number of pilots. We are talking about something on the order of 5,000 or 6,000 pilots we need. Last year the airlines hired 9,000 pilots.

Mr. YOUNG. Air Force pilots?

General HICKEY. Total hires. I can't tell you what the total military pilots is but all the Services combined only provide 4,000 fixed-wing pilots per year in our training system. So if they got every one of ours, we wouldn't provide half their needs.

There has to be another source for pilots in the United States and Western Europe and modern nations with an airline of their own. That process has to be done outside of DOD.

We are not in a position to do that, nor would we be able to fund it, nor do the airlines need pilots that have the extensive kinds of training in the things that we do to be a successful, competent airline pilot.

Mr. YOUNG. For the record give us a chart on the cost of training a pilot.

[The information follows:]

The average cost per Undergraduate Pilot Training (UPT) graduate of \$443,795 in fiscal year 1989 dollars. This undergraduate sum does not include the cost to train the officer in a specific weapon system or the outlay to make the new pilot mission ready.

Mr. YOUNG. I realize it is hard to come up with a solid figure because it depends on the length of time a pilot serves, but what does

it costs to train him and what do we lose if the pilot gets out and goes to an airline.

[The information follows:]

A majority of our pilots who decide to separate do so shortly after their initial service obligation expires. So, if we look at a typical pilot who has completed eight years of service and is a mission-ready instructor in one of our major weapon systems; e.g., C-141, B-52G, F-15C, on the average we have invested almost \$18 million in basic, upgrade, and continuation training throughout his or her career. To understand the full extent of our losses, however, you must also consider that we lose this pilot's leadership as a mid-level supervisor. He is the key flight lead or mission commander who insures that we accomplish our mission.

AVIATION CAREER INCENTIVE PAY (ACIP)

Mr. YOUNG. Aviation Career Incentive Pay, is this useful to you in personnel requirements?

General HICKEY. It is. And I apologize I don't have statistical data. It is very well received among the pilot force.

The bonus system is not a popular process. We don't like it. It causes pay inversions. It is a have and have not solution, and we are looking at a way to make it fit better into the institutional process we have for officers.

We do it, but it is like using Listerine—we use it every day, but it doesn't taste very good.

RECRUITMENT OF AIRCRAFT MECHANICS

Mr. YOUNG. Are aircraft mechanics being recruited by the airlines just as pilots are?

General HICKEY. Yes. I think it is a difference in age groups and longevity and total numbers. One of the things that is giving us a problem on the pilot side of the house is that the relative population of airline pilots versus military pilots is getting to be out of balance.

We still have a distinctly larger number of aircraft mechanics than the airlines do in total. So the demand hasn't gotten there yet. It clearly is going to happen. There are a lot of airline mechanics reaching retirement age, so I see that getting to be a more difficult problem.

Mr. YOUNG. I forgot to ask you something about the pilot issue. When we did not appropriate the money for the flight pay, you are paying the flight pay anyway, where did you get the money? What are you not paying for you would like to because you are using the money for flight pay?

General HICKEY. I don't have a way to draw a direct relationship if I took this and did that, but I can tell you what we did. That \$53 million is part of the \$60 million problem. I solved \$373 million of it internally within the Air Force Military Personnel appropriation.

The way we did that was that we cut our enlistments by 18,000 so there is end strength that is paying for that, 950 officers accession cuts, 11,000 in two enlisted early releases where people are leaving prior to the end of this year that otherwise would have stayed longer.

We were hoping for 600 officer releases; we are not getting that, and we stopped 28,000 PCS moves. It was a healthy price emotionally and people impact wise.

HOUSING COMPENSATION ISSUES

Mr. YOUNG. We understand that the department is completing a comprehensive study on housing compensation issues. Have you been asked to provide input for this study?

General HICKEY. Yes, sir, we are involved in looking at housing compensation. As you know, it has become a very contentious issue and a moral factor in that we have attempted through the combination of basic allowance for quarters and variable housing allowances to cover about 85 percent of the housing costs and then the other 15 percent should come out of the individual's pay.

That, for a variety of reasons which I think we all know, and particularly not the least of which is the escalation of housing costs faster than most anticipated, has turned that into a difficult donnybrook and we have ended up with problems where people had a minor increase in housing costs and yet got a reduction in their total housing coverage, which was enough to offset their whole gain in pay for the whole year.

It was frustrating that we were spending \$1.2 billion on VHA and for \$254 million we were alienating the rest of the force. The cap came off last year from the Appropriations Committees, and we appreciate that. That, and the rule that says you will not reduce if you are in that same mode at the present time, has helped. But the thing is broken. It needs to be fixed.

VARIABLE HOUSING ALLOWANCE (VHA)

Mr. YOUNG. I was going to ask you your opinion of the variable housing allowance and whether it was working.

General HICKEY. It could have worked, I think. I think it was conceptually all right except that it became expensive and difficult to deal with, and once we started altering its basic purpose, then it became very unsuccessful.

Mr. YOUNG. If you would like to expand on that for the record, we would be happy to have your thoughts on what kind of a fix it might take.

General HICKEY. I don't know if we are far enough along with a DOD-wide look at that to have an answer that I would hang my hat on and offer you as a panacea.

[The information follows:]

The VHA system was designed to compensate all eligible recipients to the same level relative to the median housing costs reported by our members, and it does, in fact, accomplish this purpose. In this sense, VHA is not "broken." However, the system is enormously complex. It confuses our members and responds relatively slowly to changes in local housing costs. Since it is a median-based system, by definition half of the recipients are going to have personal costs which exceed the level to which VHA rates are set. Consequently, these people are going to feel they are undercompensated. The lack of a direct relationship between a member's personal housing costs and the VHA rate confuses our people and undermines the system's credibility. In this very important sense, VHA is broken—our people do not believe it does what it is supposed to do.

Additionally, funding constraints from previous fiscal years have depressed VHA rates. Because the law governing VHA restricts the way we budget for this pro-

gram, we are unable to make up this lost ground. This situation further erodes the credibility of the system.

We have been participating with the other Services in an ongoing OSD study of the military housing allowance system, and we are hopeful it will produce some useful proposals to correct the shortcomings of the existing system. The most important fixes we can make pending completion of the study are to 1) improve responsiveness, so that VHA rates are most consistent with our members' actual housing costs; and 2) maintain the appropriate level of funding.

HEALTH CARE PROVISIONS

Mr. YOUNG. My committee has been involved in quality-of-life issues and housing is one. Medical care is another. What is the situation as it relates to medical care for people in uniform?

General HICKEY. It is a big issue and not everybody is happy with how things are running. There is an ever-increasing demand it appears for health care provision. We have taken great strides and spent a lot of money and applied a lot of resources to improve health care and provision and access as have the other Services, and with all the help of the committees for which we are thankful. We still aren't there.

We still have too much use of CHAMPUS, which is the most expensive of the alternatives. We are still experimenting with other ways, catchment areas to try and improve the quality of health care while not going through the tremendous increases in cost.

Having said that, we are also increasing the resources. At the time we are talking about the reductions we are doing, 26,000 in the Air Force this year and 15,000 next, we are increasing the medical on-line force by 1,000 each year. So we are still putting inventory and resources into medical care in order to try and meet the demand that is there. That causes dichotomies, but it is important enough and a big enough issue with our people that we felt it was worth it.

Mr. YOUNG. We will be meeting shortly with the Surgeons General and I expect you wouldn't object if we dug into this issue with them in an attempt to see what needs to be done about quality of life as it relates to medical care?

General HICKEY. Yes, sir. I think it is a good idea.

Mr. YOUNG. Thank you, General.

Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Hefner.

RECRUITING

Mr. HEFNER. Thank you, Mr. Chairman.

Welcome to the committee, General. I have a couple of questions.

You mentioned recruiting in your statement and we have been contacted by a number of young people who have been involved in your delayed entry plan as they come out of high school and some of them change their mind before they finish high school. Since they have signed a contract to enter the Service, recruiters lean on them pretty hard.

How often does this happen and how does the Air Force handle it?

General HICKEY. Just a second, sir. I need to refer to the fall-out rate of that. It is about 10 percent of the people that we sign up in those delayed contracts that we eventually lose before they come

on board. It is not so binding that they cannot walk away from it if they choose to do so.

A recruiter has a guy or gal—they don't want to lose them because they have to replace them, so they probably put pressure on them, I hope no more severe than when they enlisted them in the first place.

In the current environment, we are not putting so much pressure on them to stay because we are getting pressure ourselves. It is easier for them to talk now than it was before.

CIVILIAN PERSONNEL HIRING FREEZE

Mr. HEFNER. You mentioned civilian personnel and the Secretary has imposed a hiring freeze on all DOD civilian personnel through the end of this fiscal year. I am told this also prevents movement of existing employees from one job to another.

I understand letting attrition work, but this seems to me to be dangerous to prevent the cross-flow of people to meet a particular need. In the medical community when doctors, nurses and technicians leave, they are not only not replaced, but the administrator can't move around people to best meet medical needs. Yet the patient load hasn't slowed down, and it creates a problem.

What is going on here?

General HICKEY. This was a stark freeze when it was implemented on all of the Services. The Air Force had already implemented an Air Force-wide freeze, but ours was a one-for-four. For every four vacancies, you could hire one person back and refill and cross-flow. Everything was involved, but you had a great deal of flexibility.

The DOD-declared freeze initially was very tight and difficult. They have released nonappropriated funds for commissary and to a great extent medical because we had additions we wanted to make in the medical field. Some of those are blanket waived where that problem has been resolved as we gain more experience with the freeze. Particularly in the medical field, it is probably as amenable for exceptions as any of the career field because it is in the medical field.

We are finding that at least in the short term, we are able to manage within the constraints. It is bureaucratically very difficult and time consuming, and we would like to return to where we were in prior times, certainly.

We think one for four was working our problem well in the Air Force, but the other Services weren't in the same mode. So I cannot say that the Secretary of Defense was wrong in imposing a hiring freeze. I am saying it is much more restrictive than we had before.

For the next few months we will be able to survive with it and we hope that as we gain more experience and results, we can put together a better long-term civilian package.

Mr. HEFNER. You are saying you have been able to move people around and maybe change some of the regulations. You still have the freeze, but you can move people around to minimize problems?

General HICKEY. We still have problems, but they are manageable. For instance, if my secretary quit tomorrow, I could not take

my deputy's secretary and move her over there to replace her. I couldn't pick where that gap is without going to my Secretary of the Air Force and get permission to do it, and then I would have to justify it.

Mr. HEFNER. That would be difficult but in the medical section where your patient load doesn't go down, you would be able to do it now?

General HICKEY. Yes, sir. The numbers of open civilian hires authorized within the medical community I think has given us the ability to manage that pretty well now, both for new hires and for cross hires.

ROTC PROGRAM

Mr. HEFNER. As a requirement for officers going down, I assume that the need for new officers will decrease.

You said the ROTC program will remain at the current level. Does that take into account your requirement for the future?

General HICKEY. I am talking about 2,500 new second lieutenants out of ROTC. That is down from about 3,200 average a couple of years ago. We have downsized it in a deliberate process because we knew we were going to get into smaller recruiting years.

We still bring in 950 a year from the Academy year in and year out, and we use the Officer Training School as the flex to expand on that. At a minimum, we would like to have 1,000 per year going through OTS.

We have pulled ROTC down to a more manageable level. If you do more massive cuts, we would not bring in as many ROTC. We have been squeezed twice since I have been the personnel guy where we could not bring those people on board. We don't have a program like the Army, who can recruit from the Reserves. We only recruit and commission those that we want to bring directly on active duty within a year of when they are commissioned.

We try and meet that contract and we are in the second mode now where we are having difficulty doing that. We had trouble in 1988 and we are having trouble again this year.

JUNIOR ROTC PROGRAM

Mr. HEFNER. There has been a rumor that the Services are going to reduce the Junior ROTC program.

General HICKEY. I don't know where that got started. It wasn't an Air Force perception.

Mr. HEFNER. I think it was in my district.

General HICKEY. We have no intention of reducing the Junior Air Force ROTC within the Air Force. My friends in DOD, I have heard over the last couple of days other committees say the same thing, that it is in and is a solid program and going.

We are going to open up 19 additional units. So our budgeting is going up a minor bit. We have very, very good luck out of that. The follow-on success rate of those as a recruiting device and military training device is very, very successful. We like it.

Mr. HEFNER. Thank you, General.

Mr. MURTHA. Mr. McDade.

MILITARY PERSONNEL REPROGRAMMING

Mr. McDADE. Thank you, Mr. Chairman.

General, welcome back in front of the committee. We are always delighted to see you and get your expert testimony, which is always very well done.

I don't need to tell you that one of the enormous problems we have facing us is how to deal with the reprogramming which is currently on hold in the authorizing committee. I want to just go over the consequences of a failure to take action on that reprogramming with you within a given period of time.

Now, the numbers, as I understand it, you want to reprogram \$228 million from other sources to the Military Personnel appropriation for fiscal year 1990. Sequestration reduced this account by \$178.6 million and you absorbed \$120 million of entitlements authorized last year.

General HICKEY. That is true. In those two categories. There are some additional categories, so the size of my problem was much larger than \$290 or \$300 million.

I also had a shortfall from PBDs and from other congressional cuts—it is difficult for me to describe these properly. They were congressional cuts; part is the difference in costing.

In other words, I was authorized to give an end strength and the difference between average costs, but the way I could reduce the force structure being new recruits, I didn't get the savings so I ended up with enough money to bring on board and maintain the inventory that I was authorized.

When I put those things together, plus what we had adjusted within the DOD budget cycle, I ended up with a total Military Personnel appropriation shortfall of \$601 million. We took several actions the first quarter of this year, which is very late, to resolve \$373 million of those changes. I have talked to those, the enlistment cut of about 18,000, 950 accession cut for officers, et cetera. The bottom line: It gave us about a 26,000 end strength cut from all actions combined and a severe PCS freeze of 28,000.

I cut too much out of the PCS account and I have to solve that or I will have units overseas where they have to come home and I can't replace them.

Mr. McDADE. Do you have a feel for the number?

General HICKEY. Twenty to \$45 million, in that range that I know that I have a problem. At least \$20, \$21 million, and it may cost me as much as \$40 million. I am trying to resolve that.

That left us with \$228 million and as we looked at other things we might do, they were so painful for people, we said we can't handle that.

I have given you a hard copy where we can handle the rest. If we do not get the \$228 million reprogramming, we are very limited in what we can do. You can stop people coming on board or freeze promotions or do involuntary separations.

FREEZE ON PROMOTIONS

Mr. McDADE. If we don't get this reprogramming by 1 April and you have to deal with it either by managing the force or, as you said, taking actions like denying anybody coming in, see if you

agree with these figures. Would you have to freeze promotions, for \$44 million?

General HICKEY. Forty-four million dollars, yes, sir.

Mr. McDADE. How many people approximately would be affected by a freeze of promotions of that magnitude?

General HICKEY. At that magnitude, the maximum number, and I have to give you maximums because it is a floating target, the maximum, because that is the worst that I know, right now it would be up to 10,500 officers and 21,100 enlisted personnel that I would not promote. The officers are all officers and the enlisted personnel I am talking about are those people E-5 and above, staff sergeants up to chief master sergeant.

The reason that gives us a problem, numbers don't mean much until you talk about what that means is that those people are our best people, just selected from their peers to be promoted.

Mr. McDADE. Devastating to morale?

General HICKEY. It is the wrong group to pick on. It hits them right in the pocket book and penalizes them. They have lost entitlements and dollars, but they can't get on the next higher grade housing list. They have to move with a lower household goods allowance.

There are all kinds of things in addition to just the pure straight dollars.

ENTITLEMENTS

Mr. McDADE. You used the word entitlement. That Military Personnel account is 94 percent generated by legal requirements, is it not?

General HICKEY. Yes, sir.

Mr. McDADE. It is pay, allowances, et cetera, that are in the law?

General HICKEY. Yes, sir. I have about six percent flex in the account, you are right.

Mr. McDADE. I guess it would not be stretching the word to say it would be a breach of contract to fail to comply with that legal requirement?

General HICKEY. I don't have that option. I can freeze promotions and that is a way to abrogate the law because it is an entitlement that those people should have had. And the other is I can reduce the numbers of mouths that I feed.

Mr. McDADE. As I understand it, you would have to affect something like 24,000 people and that would allow you to recoup \$108 million.

General HICKEY. Yes. That is everybody that is left I have coming in for the rest of the year. I just freeze them all. Two thousand, in April, 2,300 officers and the rest would be enlisted.

RECRUITING ISSUES

Mr. McDADE. If you take that out of here, suppose you have to do that, suppose that that fact, and I don't think anybody on this committee wants to see that happen, and you take a whole year of your total recruitment force out, what is the ripple effect downstream?

General HICKEY. I am going to have a tremendous hole in the out-years.

Mr. McDADE. What is that going to do to the force and your ability to operate?

General HICKEY. You put a gap in that one-year group. When they enter the career force four years downstream, there will be only half of them there because I had it pared to 36,000 from 54,000 and now you are going to take another 20,000 out. So we will bring 16,000 on board.

In today's force, I need that many first and second-term career entry, so I am going to get half of them in the force.

Mr. MURTHA. You have nobody in the recruiting depot—as they go through the rest of the year, you don't have any new people coming in?

General HICKEY. No, sir.

Mr. MURTHA. It is impossible to imagine the operation as I see it, because you normally have people going out of recruit training into the advanced training and so you have this problem throughout the whole service as this goes on. Your recruiters are sitting out there not doing anything?

General HICKEY. Yes, sir. It is hard to imagine how this would unfold. The pipeline would just dry up.

Mr. McDADE. Anybody ever do anything like this in history?

General HICKEY. The World War II dismantlement was like that, but everybody wanted to go home anyway.

Mr. McDADE. That was a demobilization, different people in the military.

General HICKEY. Not with established kinds of institutions and basic military training.

REENLISTMENTS

Mr. McDADE. The third way is to delay reenlistments to 2,300 people which would enable you to recoup around \$58 million?

General HICKEY. Yes, sir. Numbers and what we do to the military is bad enough, but I think we forget what happens to people.

Even those young enlisted troops are not all 17 to 19 year-olds. We bring in people who are parents with wives and families. They will have quit their jobs, quit their lease or made arrangements to move to go on active duty, and all of those things will go down the tube. So there is a great deal of personal trauma that is wrapped into that. Even the ones that we don't have on board now we cause damage to when we prefer not to.

Involuntary separations is probably most traumatic. You are taking the paycheck right out—

END STRENGTH REDUCTIONS

Mr. McDADE. My information is that if you were to use end strengths only, that you would probably impact in the Air Force alone 46,700 people in the following fashion. You could deny accessions for 31,500 and deny reenlistments to 15,200, making that total number 46,700. Does that number accord with your number?

General HICKEY. It is pretty close, yes, sir. I would like to have a shot at that for the record. But you are right in the ballpark.

[The information follows:]

The total number of approximately 46,700 is correct. However, we only have 24,000 accessions left for the year. The remaining lost end strength (22,700) would occur by denying reenlistments to all remaining first-term (6,800) and second-term (10,200) airmen as well as most of those in the career force (5,700).

Mr. McDADE. Our numbers would indicate that if you stopped accessions at the level of 31,500 people, you could save \$170 million and if you denied reenlistments to that same group, 15,200, you could recoup \$58.1 million, making up that general total of \$228 million.

General HICKEY. My concern is I think we only had 24,000 or 26,000 in the accessions.

Mr. McDADE. We would like the benefit of your professional opinion about what that is. We have no problem with your changing the record to reflect that.

General HICKEY. It is 24.5 and 15 roughly, so it is about 40,000 over and above the 26,000 that we have already reduced this year. So a net of 65,000 plus.

Mr. McDADE. I want you to amplify for the record impacts on the individual that we are talking about should you get into a number like 40 to 46,000 in stopping accessions, denying reenlistments, et cetera. Describe impacts of individuals that impact on the Air Force.

General HICKEY. Individuals first. The enlisted force takes the brunt of it. I cannot get to the officers legally.

[The information follows:]

If in March the Air Force were notified that reprogramming was not granted, we would be forced to take actions which would reduce end strength by nearly 40,000 while directly impacting another 31,000 individuals by freezing promotions to realize savings of \$228 million. We would be forced to stop all programmed officer (2,600) and enlisted (21,400) accessions for the remainder of FY 1990. Enlisted accessions for the year would total only 19,500 and officers only 2,900 causing extreme undermanning in FY 1990 and continuing into FY 1991. The United States Air Force Recruiting Service would have to break all existing contracts and would recruit no one for the remainder of the year. The undermanning would be further exacerbated by having to deny all remaining first-term (6,800) and most second-term (8,400) reenlistments for the remainder of the year. Additionally, we would be forced to freeze all officer (O-2 through O-10) and enlisted (E-5 through E-9) promotions through September 30, 1991. This directly impacts approximately 10,500 officers and 21,100 enlisted members by taking money directly from them to pay for the reprogramming.

Impacts to Our People

- Stop Accessions
- Freeze Promotions
- Involuntary Separations

Stop Accessions

- Stop up to 26,000 Officer & Enlisted Accessions |
- Presently Committed to Over 15,000 Young People
- Impacts
 - Breach of Commitment
 - Turned Down Other Careers
 - Obligated Finances
 - Lost Personal Resources
 - Lost Opportunities
 - Effect on Those Already Serving

Freeze Promotions

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- Hits the Pocketbook
 - Penalty for Our Best People
 - Lost Entitlements
- Blocks Career Advancement
 - Limited Opportunities
 - Not Paid for Responsibility

Involuntary Separations

- Enlisted Take Brunt
 - No Golden Parachute
 - Officers Protected by Law
- Firing Without Cause
 - Lost Income & Entitlements
 - Psychological & Family Impacts
- Questionable Job Market Ability

Mr. McDADE. For the reasons that you described to the Chairman before?

General HICKEY. Long-term planning and protection in law.

Mr. McDADE. By law you exclude all the officers and because of that, you have got to focus on enlisted personnel.

General HICKEY. Significant numbers, yes, sir. Any time you are in the execution year where your problem is money rather than strength, and you try to do something in the officer force, you end up with a readjustment process or RIF pay and it ends up with every officer you throw out costing money.

Mr. McDADE. Go over that again. It is very complicated.

General HICKEY. Any officer that I would involuntarily separate with more than five years of service is entitled by law to readjustment pay, to a separation pay, and it can be as high as \$30,000, figured on a factor of years times monthly basic pay.

Mr. McDADE. By law established by statute?

General HICKEY. Yes. So when you are in the execution year and your sole purpose is to save money, it is impossible to do anything involuntary to officers and save money, so you entice them to leave voluntarily or pick on those people in the first three or four years where you don't have to pay them readjustment pay.

Mr. McDADE. You are forced by law to focus on enlisted personnel if you were to have to use end strength figures alone to recoup the money?

General HICKEY. It isn't all law, law and the practicality of saving dollars, so you end up picking on the enlisted force and zero on poor individuals who happen to be having a break in service. They come up for reenlistment every four to six years so there is a place where there is a break in service. So if you deny them reenlistment—

Mr. McDADE. Except 15,000?

General HICKEY. That is three groups of people: The first termers, the youngest people, and the ones that you have least commitment to. But there are 6,800 of those available to us the 1st of April.

The reason that those people are still there is because they were so critical to us over the last four or five months that we wouldn't let them participate in the early release program. The rest we have said get out the first of January or reenlist.

I have 6,800 left, every one in critical skills that I wouldn't let leave early and now I am not going to let any of them stay, so it is the wrong people and uncontrollable. I would do the same thing in terms of second term. Again, I have no control over who they are, where, what skill. I have to take every one of them in order to save money.

It is a mindless process to go through and I have no control. To the extent that I would need to dig further to get to 15,000 or 16,000 to get the dollar bogie, I would go to the career force and do the same thing there. If you got me down to June, I wouldn't get 6,800 first termers because what was left and up to the maximum number of second termers, which is 8,400.

Mr. McDADE. It gets worse every day?

General HICKEY. It does.

Mr. McDADE. Is it entirely conceivable that you might have had a first term who fought in Panama, who would now be denied the opportunity to continue to serve his country because of this?

General HICKEY. I will almost guarantee that we will hit those kinds of people for promotions and early release or reenlistment denial.

IMPACT OF REPROGRAMMING DENIAL

Mr. McDADE. We talked about management but not much about what your professional opinion would be in terms of impact on the organization on the community called the Air Force.

General HICKEY. The first impact is complete breaking of faith and destruction of confidence of those people and the distraction, it can't help, but have people going to work and instead of working, talking about what is going to happen next.

There is going to be a disenchantment. It is hard to get them interested when they don't think anybody takes care of them. Even if they are great soldiers and they decide to do their work, you will find a total of about 14,000—undermanning is already in the program—plus another 40-some thousand that you would send home, so 50,000 to 60,000 people worth of work out there that didn't get done. Those people that didn't get tapped get to work weekends and nights to get the work done.

Mr. McDADE. It is a real horror story and no question, readiness, morale, the organization is dealt an enormous setback. Maybe one we can't recover from. Would you agree with that?

General HICKEY. It is not clear to me—I have been asked what will be the impact on the 1991. It is so mind-boggling, I haven't figured out the answer for 1991. I don't know how to program 1991 given these things that will happen.

It would be long-term because I am going to lose in the reenlistment denial people in critical skills at all levels up through 16, 18 years of service that I cannot replace, and it will take me a couple of years to redo that.

Mr. McDADE. Thank you for your testimony. All the members of the committee are working to see this does not happen.

General HICKEY. You really are our last hope over here. It is a difficult thing, but we are hoping for your help.

Mr. MURTHA. Thank you very much, General. We appreciate your coming before the committee. We will have some questions for the record.

We will recess and consider the B-1 reprogramming.

General HICKEY. Thank you, sir.

[CLERK'S NOTE.—Questions submitted for the record and the answers thereto follow:]

MILITARY PERSONNEL REPROGRAMMING

Question. As an offset to the FY 1990 program, the Air Force decided to restructure its Permanent Change of Station (PCS) program. According to the reprogramming document, actions taken were to cancel or defer approximately 28,000 overseas and CONUS moves and to extend current assignments 15-45 days. What impact will this have on Air Force officers and enlisted personnel? On re-

tention? Do you believe these actions will actually save \$100,984,000 in FY 1990?

Answer. A major area of concern is the PCS account. We virtually bankrupted it as we worked the solution to the \$601 million problem. We have already involuntarily extended our troops, many with families, in our overseas locations for up to two months. In doing so we have built ourselves an \$80 million PCS bow wave in FY 1991 that will have to be paid. That bill, coupled with other FY 1991 actions on the horizon (base closures, changes of tour lengths in Panama and Guam), were not budgeted for and will exacerbate our PCS problems next year. Some of your colleagues seem to believe that there is no cost associated with reducing troop levels overseas. That is just not so and our FY 1991 PCS budget will be a testimony to that fact.

The negative impacts of these PCS actions on retention and readiness are extremely dangerous.

Yes, the PCS actions we have implemented could save dollars. However, the severe impacts on our people and their families is too severe. As such, I believe that to the extent possible we should restore funds to the PCS program to relieve the hardship on our troops and their families.

Question. The Air Force has initiated an early release program for first term airmen as another way to reduce the FY90 requirements? The Committee understands that volunteers for early outs surpassed the Air Force expectations. Is that true? Does that decrease the amount required in FY90 for pay and allowances of enlisted?

Answer. Although the number of enlisted early outs surpassed our initial expectations, they have been offset somewhat by the less than expected officer voluntary separation. I wish to add, these losses have come about at a very high cost too, both in terms of premature losses of valued experience and training and unit manning. Since the missions have not decreased proportionate to the loss of these skilled specialists, the net result is those that remain must work harder and longer to make up for the undermanning. This affects retention. With reprogramming approval, we anticipate the pay and allowances for these additional losses will be used to offset some of the dollar shortfall for the officer losses we are not getting, as well as being used to fix the almost "bankrupt" PCS account. Of course we will need to realign our internal reprogramming in our request to reflect these "real-life" changes.

Question. The Fiscal Year 1990 planned end strength for the Air Force is 545,000. As of the end of January 1990, the actual number was 560,100. Will you be able to reduce the force by almost 15,000 by the end of the fiscal year?

Answer. Yes. In FY 1990, the Air Force has offered several voluntary officer/enlisted early release programs. These early releases were not effective until January 1990 and, depending on the program, will continue throughout the fiscal year. The Air Force will be at its required end strength by September 30, 1990.

FORCE STRUCTURE

Question. As the force is reduced and as dollars become fewer, how important is recruiting and advertising to the Air Force?

Answer. Regardless of force size, the Air Force will always have to recruit to replace members who retire or otherwise leave the service. The recruiting force is sized to meet the long-term requirements of the future. It is not expanded or contracted yearly because of short-term end-strength or fiscal problems. Depending upon the eventual size of the enlisted force, we could still have a need for recruiting 30,000 to 50,000 airmen a year, in addition to the necessary pilots, navigators, other line officers, and health professionals.

The need to provide a continual flow of replacement personnel will require that we maintain a nationwide network of recruiters and the systems necessary to support them. The current recruiting force will be downsized to meet the long-range outyear requirements. These recruiters, however, will continue to require adequate training, support, and supervision to help them meet the Air Force's accession needs. If operation and maintenance (O&M) funds are insufficient, this will lead to less training and oversight, and will result in lower quality recruiters, lower quality accessions, and an increase in malpractice incidents.

With a smaller Air Force it will be important more than ever that accessions be of high quality; we will have less capability to absorb those people that require more training and supervision. Even with lower accession levels in the future, recruiting is expected to become more difficult. As the absolute number of eligible high-quality youths continues to decline, the competition from business, industry, and academia becomes very intense.

Recruiters are the best source of advertising available; taking them out of the community reduces the market. Any restrictions on vehicles because of O&M reductions lead to constrained visits to schools—the bread and butter of our recruiting effort. Recruiters will be forced to work “walk-in traffic,” which results in a further lowering of the accession quality level; consequently, as the Air Force becomes an “employer of last resort,” training attrition levels and discipline problems increase, and force readiness decreases.

We must not forget health professions recruiting. Recruiting Service failed to achieve its physician requirement of 139 in FY88, its FY89 goal of 199, and the FY90 goal of 373 will be extremely difficult to achieve. A significant amount of resources (both recruiting and advertising) has been reallocated to this high interest item (the Chief of Staff of the Air Force personally added 1,000 medical position per year for FY90 and FY91). Additionally, the nurse, Bio-medical Service Corps, and Medical Service Corps goals remain high and difficult to achieve in an extremely competitive market. Future medical requirements are projected to remain high. The educator tours, which are extremely successful in helping recruit medical professions, would be severely constrained by any cut in recruiting O&M support. Reductions will make the medical programs virtually unachievable and adversely affect the already limited medical care of service members.

Advertising will be extremely important to the Recruiting Service of the future. We advertise to a "moving parade" of young people, instead of a standing crowd, and the future success in recruiting is in large part dictated by current advertising. According to a Department of Defense survey, the last four years have seen a decreased awareness of the Air Force in the market place. We need to attract the quality enlistees the Air Force will need in the future and make them aware of what we have to offer. An effective advertising program will lead the quality applicant to the recruiter, rather than the person that cannot get a job anywhere else.

Some final notes about advertising. The active Air Force does not spend any of its advertising budget buying television air time. Our Air Force ads on television are free public service announcements. The Air Force uses its advertising funds primarily for radio spots, magazine/newspaper ads, and printed material available for hand-out or mail-out. Our advertising budget loses an average of 6% per year because of high industry inflation. A special 6% inflation rate was allowed by OSD for the FY91 budget to help offset the industry rate of 12%. A straight-lined or reduced advertising budget quickly loses its effectiveness when inflation runs this high. Additionally, since 46% of the advertising budget is focused on the critical health professions program, any reduction in advertising funds will result in a significant erosion of the medical market, as well as the enlisted market, and thus jeopardize future success in achieving our recruiting objectives.

RESERVE FORCES

Question. General Hickey, if, as discussions seems to indicate, active force levels are reduced, how important is it to maintain a strong Reserve Force?

Answer. It is important for the Air Force to maintain a strong Reserve Force to assure our capability to meet threats and maintain National Security objectives.

Question. As Deputy Chief of Staff for Personnel, what is your role in making decisions which affect the Air Force Reserve and Air National Guard?

Answer. As Deputy Chief of Staff for Personnel, my role is to work Air Force issues; Active, Guard and Reserve. I have Reserve and Guard people of my staff. Active men and women are assigned to the Guard and Reserve. We understand each other's issues and we work them together.

Question. Do you take their roles and missions into consideration as you make recommendations concerning the active force?

Answer. Yes, the Force-mix is continually reviewed to optimize mission and cost effectiveness.

Question. Do you believe that the reserve components should be reduced at the same rate as the active force? Why? Why not?

Answer. No, the Air Force believes any reduction in the Air Reserve Component (ARC) should be based on mission requirements. The size of the active and reserve forces should be based on the missions they are tasked with, not some arbitrary ratio.

Question. Have you participated in the DoD study on Total Force Mix as required by section 1101 of the FY 1990 Defense Authorization Act?

Answer. Yes, several members from my staff are responding to questions and issues raised by the Total Force Study Group.

END STRENGTH

Question. I understand the Army has a shortage of NCOs. Is there a shortage of NCOs in the Air Force?

Answer. Our manpower requirements process specifies a need for 52.2 percent (FY 1990 to 1994) of the force to be in the top five grades. We are currently operating at 48 percent in the top five grades and are projected to decline to 46.5 percent by FY 1994, given no further drops in end strength. If end strength does drop, we will need more experienced NCOs to make force structure adjustments successfully. We are very concerned with the promotion flows and will need greater percentages of top five grades to work through the transition periods.

Question. The Committee further understands that the Department is working on legislation to provide severance pay for enlisted personnel who are involuntarily separated. What is your opinion on the need to compensate a service member who planned to make the Service a career and then is involuntarily separated?

Answer. For the first time in our history, the Air Force may have to involuntarily separate fully qualified second-term airmen. We have spent the last 15 years fostering an all-volunteer force by offering career opportunities to members. Career service expectation has also been reinforced by soliciting members to reenlist. Under these circumstances, I believe career oriented enlisted members should be entitled to separation pay the same as career officers.

Question. What qualifications would you make on the use of severance pay? For example, should it be targeted?

Answer. If by targeting you mean using different formulas for different skills or making only certain skills eligible, it should not be targeted. Some criteria for separation pay will have to be established by law; for example, minimum years of service and the payment formula. But other aspects of separation pay can best be handled through Secretarial discretion and DOD directive. The ability of limit payment amounts ("target") as the circumstances of separation warrant is an important management tool for the Services to have. DOD guidelines would be established to standardize payment amounts based on separation circumstances to the maximum extent possible. These circumstances would, in essence, be targeting the individuals' payment amounts.

Question. Is severance pay currently being provided to officer personnel? Under what conditions?

Answer. Yes. Officers involuntarily released from active duty after having completed at least 5 but fewer than 20 years of active military service are authorized separation pay. Service members may receive up to a maximum of \$30,000 when separated involuntarily under any of the following conditions: regular/reserve officer not selected for promotion or not qualified for promotion to first

lieutenant; chaplain who fails to maintain the qualifications needed to perform professional duties; regular/reserve officer after failure to be selected for promotion, selection for continuation on active duty expires; regular/reserve officer who after failure to be selected for promotion declined to accept selection for continuation on active duty; volunteer reserve officer not accepted for an additional tour of duty, provided he/she unconditionally volunteered to complete the entire period; and reserve officer discharged or released from active duty at any time prior to the completion of a stipulated period of active duty or an indefinite period of active duty unless other conditions apply.

Additionally, officers may receive separation pay up to a maximum of \$15,000 for the following conditions: substandard performance of duty; inability to perform prescribed duties; moral or professional dereliction; unfitness or unsatisfactory performance; misconduct; unsuitability; homosexuality; drug abuse, to include drug rehabilitation failure; repetitive absenteeism; nonavailability for worldwide assignment as a result of parenthood; retention is not consistent with the interest of national security; and an officer notified in writing that he/she must show cause for retention and who subsequently requests discharge or release from active duty.

Question. As the force begins to draw down even lower, how important is passage of the legislation? When will it be submitted?

Answer. Very important—not only during the pending draw down but on a continual basis to provide fair and equitable compensation for faithful service rendered and to help ease the transition into civilian life. Introduction of DOD legislative proposal is pending OMB review and release.

MILITARY PAY

Question. The statement is made that even after the military pay raise of 3.6 percent in January 1990, there is still a gap of 21.4 percent from the civilian community. By civilian community, I assume you mean the civilian business sector and not civilians employed by the Federal Government. Is that correct?

Answer. Yes. The comparability gap refers to the cumulative difference in wage growth between the military and the private sector since 1982, measured by the Employment Cost Index (ECI), which is calculated by the Bureau of Labor Statistics. 1982 was the last time at which military pay was equivalent to private sector compensation. Since that time, private sector wages have grown 21.4 percent more than military compensation.

Question. In this comparison, are you using basic pay or the figures contained in the Regular Military Compensation Chart?

Answer. The comparability gap is not merely a comparison of absolute compensation levels. Rather, it is a comparison of wage growth over time, and is calculated on the annual increase to basic pay. Our reason for limiting the comparison of this element of compensation is very simple: it is the only piece of military compensation received in cash by all members on the same basis, and is therefore the only element which lends itself to ready indexing.

Question. According to an article in the *Navy Times*, when the RMC figures are used, the total value of military pay rose an aver-

age of 4.2 percent instead of the 3.6 percent usually stated. Do you agree with that statement?

Answer. Regular Military Compensation (RMC) (which includes basic pay, Basic Allowance for Quarters (BAQ), Variable Housing Allowance (VHA), Basic Allowance for Subsistence (BAS), and the tax advantage accrued because housing allowances and BAS are not taxable) is one useful tool in comparing military pay with private sector salaries. It is also useful to talk about how annual pay raises affect both net takehome pay and RMC. However, RMC also includes assumptions that don't apply equally to all people. It assumes, for instance, that all people use the standard deduction, so the 4.2 percent cited by the *Navy Times* overstates the tax advantage for many homeowners or others who itemize. For others, it may underestimate the value of the tax advantage.

In fact, we budgeted for a 3.6 percent pay raise and everyone inside and outside the Government calls it a 3.6 percent pay raise. Furthermore, when military pay raises now trail civilian raises by more than 21 percent since 1982, it hurts our credibility if we appear to be creating ways to tell military people that they were well off with the 1990 pay raise, when they know they lost ground to both comparability and inflation no matter how we calculate it.

Question. Do you believe the service member would rather receive one higher dollar amount with less entitlements instead of the way he or she is being paid today (i.e., basic pay plus tax-free allowances, incentives, bonuses)? Why?

Answer. I don't think so. Even if we tried to pay a flat salary to everyone, we would still need to pay differentials for high demand skills or especially arduous duty. It is important to be able to say we have a basic pay that is the same for all service members of the same grade and service. However, it is also important to recognize there are differences in Service needs among different skills and in personal needs among individuals. For instance, there are normally differences between housing requirements for single members and those with families. I do not think the Government can afford to pay the equivalent of married BAQ rates to all single members, and it would be unfair to create an average BAQ component that effectively cuts the pay of the majority of the force. The pay and allowance system has some drawbacks, but it is better for our needs than the alternatives that have been looked at so far.

ENTITLEMENTS

Question. Entitlements, which consist of pay, allowances, and incentives are approximately 94 percent of the budget request for military personnel. How does this fact impact on the Air Force's ability to absorb dollar reductions? To reduce end strength?

Answer. Having only 6 percent flexibility in the Military Personnel Appropriation (MPA) limits our ability to meet budget and end strength reductions in any given year. This flexibility translates into only a few ways to adjust the MPA for either dollar shortfalls or cuts in end strength—reduce accessions, officer and enlisted early release programs, reduced PCS moves, deny reenlistments, freeze promotions and conduct Selective Early Retirement Boards (SERB) and Reductions in Force (RIF). All of these actions will

either reduce end strength, reduce expenditures, or a combination of both, except a RIF. While a RIF reduces end strength, we must pay severance pay to officers involuntarily separated with over five years of service. Therefore a RIF is not a viable means to reduce expenditures. There are basically no other ways to reduce expenditures or end strength within the limits of the six percent flexibility. Any of the above actions will have severe impacts on troop morale and readiness while creating undermanning in the force since the associated end strength reductions are nonprogrammatic.

Question. Some of the entitlements came about to remedy a shortfall of one sort or another. Has the Air Force considered re-evaluating its entitlement programs to eliminate ones which are no longer required or cost effective?

Answer. The Air Force regularly reevaluates its entitlement programs on the basis of utility, equity, and cost-effectiveness. The most obvious example is the reenlistment bonus program, which is updated at least twice a year based on retention experience. In the larger context, military entitlement programs are evaluated every four years during the Quadrennial Review of Military Compensation.

Question. Once an entitlement has been provided, it can never be changed without someone stating that the Air Force has broken its contract. Therefore, any changes to be proposed would probably have to contain a grandfather clause. As funds become tighter and as the force becomes smaller, has the Air Force studied whether entitlements should be changed for new accessions? (For example: require the new service member to pay toward his retirement and/or health care.) Should it?

Answer. Numerous entitlement changes have been enacted in recent years, especially in retirement and survivor programs, which entailed grandfathering the current force and starting different entitlements for new accessions. The Air Force has not contemplated wholesale entitlement changes for new accessions based on the recent force structure reduction initiatives, and does not believe that precipitous action on this subject would be wise. The Seventh Quadrennial Review of Military Compensation, which will begin later this year, will undertake a comprehensive review of military compensation programs with a view toward tailoring these programs to meet future force structure requirements.

The Air Force has not supported contributory retirement and health care programs for military members. These fundamental institutional entitlement programs are principal incentives in encouraging career service. Although we may have a smaller force in the future, the conditions of military service will be no less arduous. These programs constitute the main offset to the adverse conditions of service, and their value has already been substantially reduced over the last 15 years. Further reductions in these specific areas would not serve the interests of the Services or the Nation.

INCENTIVE PAY

Question. The Committee understands that aircraft mechanics as well as pilots are being recruited by the commercial airlines. Does the Air Force have a problem retaining aircraft mechanics? Is

there an incentive program to encourage these personnel to stay in the Air Force?

Answer. Presently, the Air Force is not experiencing a severe problem retaining aircraft mechanics. We use incentive programs such as the Selective Reenlistment Bonus (SRB) program to retain our critical skilled airmen. When we identify retention problems, we target an SRB to a particular skill. Currently, we pay bonuses to airmen reenlisting in critical skills, some of which are aircraft maintenance.

SPECIAL PAY

Question. Special pay is for personnel in occupations which are in short supply, such as physicians, dentists, nurses, optometrists, veterinarians, diving duty, sea duty, and foreign languages. In addition, there is a personal allowance for general officers. Congress has appropriated funds for several initiatives in FY 1990 in an effort to promote enlistment and retention of qualified medical personnel. Have these initiatives proven beneficial?

Answer. These pay initiatives should help; however, it's too early to quantify recruiting and retention success.

Question. Have these incentives "trickled down" to the enlisted ranks? If not, when? Should it?

Answer. The Selective Reenlistment Bonus (SRB) program is designed to retain Air Force enlisted personnel with skills in short supply. Currently, approximately 50 percent of Air Force enlisted medical specialties receive SRB's. The program is reevaluated twice each year and adjustments are made based upon available dollars for the program and current noncommissioned officer staffing in each Air Force Specialty Code.

Question. Foreign language pay is increasing. Is this to support Air Force participation in on-site inspections at overseas locations when START or CFE agreements are completed?

Answer. Partially. The increases in FY 1990 and FY 1991 over FY 1989 largely reflect a policy change in how Foreign Language Proficiency Pay (FLPP) is paid. While additional linguists needed for treaty support will draw FLPP, the more direct cause of the increase is related to a change in AFR 35-13 (Foreign Language Proficiency Pay). With some exceptions, individuals receive FLPP only when filling a language designated position (LDP). Levels of FLPP are tied to standardized levels of proficiency. FLPP is paid to individuals who maintain at least level 2 (limited knowledge). The recently approved change to AFR 35-13 deletes the requirement to be in an LDP in order to be paid FLPP. The objective of AFR 35-13 is to encourage the acquisition, maintenance and enhancement of foreign language skills vital to national defense. Deletion of the LDP tie to FLPP will make the program a true incentive and more in line with the objective. If we are to encourage the development of foreign language skills, we must make the program accessible to linguists not in an LDP.

CLOTHING SURCHARGE

Question. Explain the increase requested for a surcharge on clothing.

Answer. A Defense Management Review Decision initiated the FY 1991 transfer of supply overhead functions for the Services and Defense Agencies from appropriated accounts to their respective Stock Funds. By funding both materiel purchases and materiel management overhead costs from one account the total cost of supply will be reduced as management will have the ability to make tradeoffs between expense categories.

This initiative, while reducing total supply costs, will generate an increase in the surcharge on all supply items including clothing. The surcharge will increase as it will incorporate the costs of the supply overhead functions. Despite the increase in the surcharge, we expect that total costs will decline.

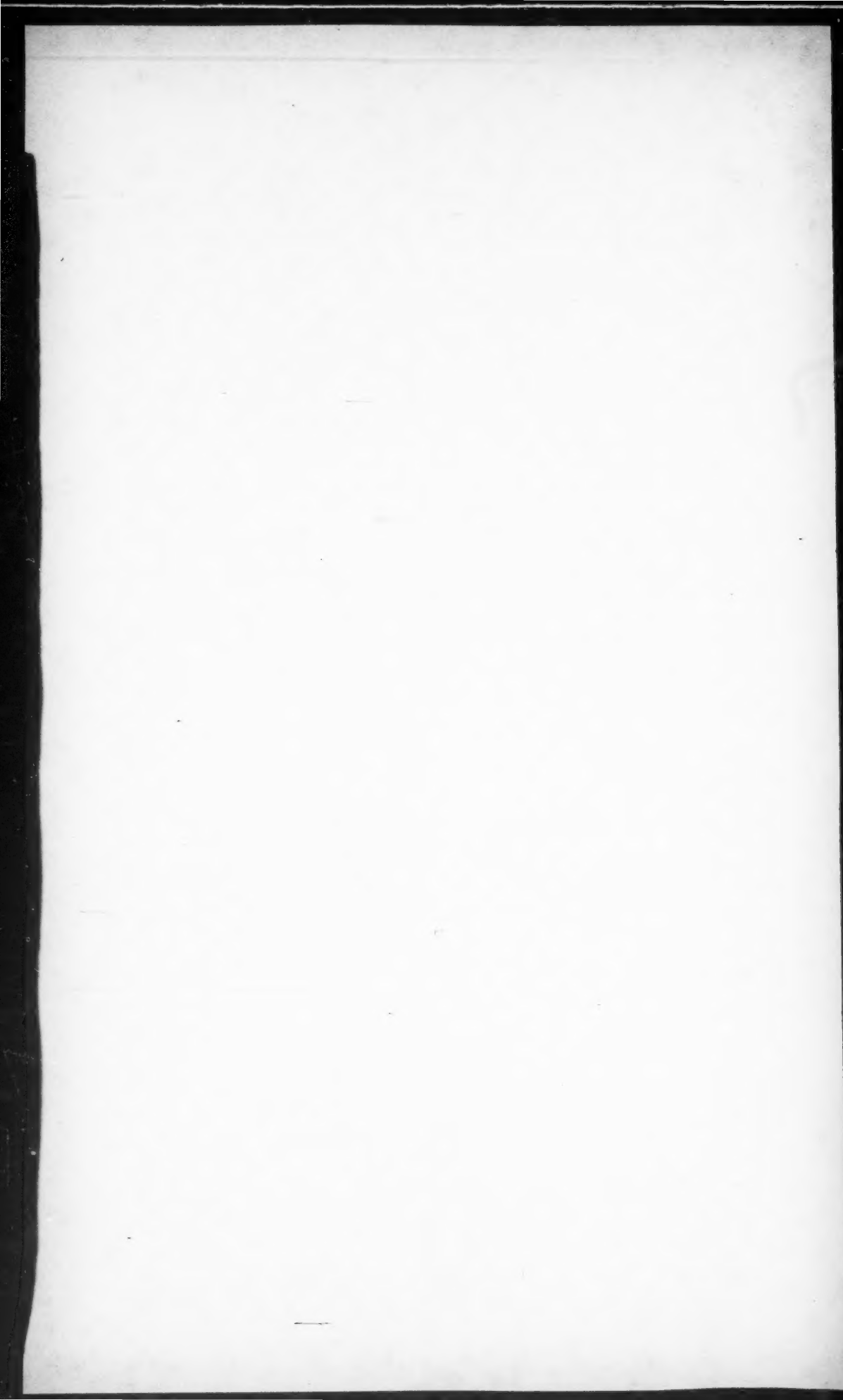
Question. Are there any other operating costs in the Military Personnel Appropriation that could be transferred to Operation and Maintenance?

Answer. The Air Force has not considered any other Military Personnel Appropriation (MPA) programs as an operations cost and is not considering transferring any other MPA costs to the Operation and Maintenance account.

[CLERK'S NOTE.—The following information was provided by General Hickey in answer to the question on page 149.]

Only 12-14 percent of released personnel will immediately attend school or training. The Montgomery GI Bill (MGIB) will pay \$300 per month for full-time study. These individuals will need to pay tuition and fees and will have to support living expenses and other incidental costs by working at least on a part-time basis.

We expect a greater percentage of MGIB eligibles will eventually use their entitlement because of the \$1,200 investment in the program.



TUESDAY, FEBRUARY 27, 1990.

ENLISTED PERSONNEL ISSUES

WITNESSES

SERGEANT MAJOR JULIUS W. GATES, U.S. ARMY
MASTER CHIEF PETTY OFFICER D.R. BUSHEY, U.S. NAVY
SERGEANT MAJOR DAVID W. SOMMERS, U.S. MARINE CORPS
CHIEF MASTER SERGEANT JAMES C. BINNICKER, U.S. AIR FORCE

INTRODUCTION

Mr. MURTHA. The committee will come to order.

This afternoon we will hear testimony from the Senior Non-commissioned Officers of the Services, Sergeant Major Julius W. Gates, U.S. Army; Master Chief Petty Officer D.R. Bushey, U.S. Navy; Sergeant Major David W. Sommers, Marine Corps; Chief Master Sergeant James C. Binnicker, of the Air Force.

Gentlemen, we welcome you.

As the principal service representatives on enlisted personnel issues, we would like to hear your views on how our men and women of the Armed Forces view military life. As a matter of fact, this committee, as you may know, has been in the forefront of trying to make sure that the various benefits were kept up to standards.

I mentioned to you earlier, I used to go visit a base and I would talk with the Sergeant Major and all the other enlisted personnel, as many as they could find, and they would complain from the time I got there, until I left, about housing, transfers, allowances, broken-down air conditioners and everything else you can think of.

I know it has improved some, but I look forward to hearing from the people who know more about it than anybody else in the service.

We look forward to your testimony.

First we will hear from Sergeant Major Gates.

SUMMARY STATEMENT OF SERGEANT MAJOR GATES

Sergeant Major GATES. Mr. Chairman, distinguished committee members, it is a privilege to address you on behalf of your enlisted soldiers who serve in the ranks. We are grateful for this opportunity. Our submitted statement is representative of your active, reserve, and retired enlisted soldiers, their concerns about their Army and their quality of life as they serve in the forces which safeguard our country and our way of life.

Today we have a trained and ready Army. You have the best trained, best led, best equipped, and the best soldiers in the world in comparison to any other army in the world. Our quality trained

and ready Army is no accident. It has taken years of hard, dedicated work by dedicated people to build the Army of today.

This investment has ensured this generation of Americans a life free from the thought of foreign conquest and this investment has made and is today making a better life for many people around the world.

OPERATION JUST CAUSE

But, unfortunately, freedom is not free. Our people, our soldiers' families have indeed paid a price. During the weekend prior to Christmas 1989, while most of us were last minute Christmas shopping and preparing to spend the holidays at home with family and with our friends, about 26,000 of our soldiers would not spend Christmas at home.

On 20 December 1989 your country's most precious resource would once again be required to go where others feared to go and do what others had failed to do. Once again, they would be required to lay their lives on the line for freedom and in the defense of our national policies. Operation Just Cause was brilliantly executed by highly disciplined, highly trained, well equipped, quality soldiers who volunteered to do the job. They had a job to do and they did it well.

It is easy and safe to talk; it is easy to wave flags; it is easy to listen to the bands; and it is easy to watch the soldiers march on parade. But it is hard to jump from 500 feet onto a hot drop zone at night; it is hard to blow the barricades; and it is hard to take the barracks. It is hard and dangerous. War, regardless of the intensity, is real mud, real blood, real dread, and real death. The realities of war require soldiers to endure a constant life threatening situation of wounds, suffering and death. And war causes our families to endure the heart-breaking news of a fallen loved one.

So if our nation's most precious resource, the men and women who volunteer to serve in your Army, are willing to lay their lives on the line to ensure our freedoms, and to protect the integrity of our United States of America, then they deserve a quality of life for themselves and their families equal to the society that they are committed to defend. They deserve tough, realistic, safe training that will prepare them to overcome the rigors of war. They deserve modern weapon systems and modern air/ground vehicles and equipment that will give them the technical and tactical edge on the battlefield of tomorrow. These things are a small price to pay for the services rendered by your soldiers.

REDUCTION IN FORCE

The nineties hold many challenges for our soldiers and our Army to remain trained and ready to execute our responsibilities for the citizens of our country. Confronted with budget reductions, force reductions, base closures and realignments, your soldiers are concerned. They are concerned with how we are shaping the army of the future, the dynamics of reducing a volunteer, professional, quality army, and the quality of life for themselves and their families.

It is no secret that your army will be reduced in size. But ladies and gentlemen, for the first time in the history of our Army, we are confronted with the dynamics of reducing an all volunteer, professional, quality Army. We soldiers strongly solicit your support to ensure these force reductions are accomplished in a planned, highly disciplined manner that prevents unit and soldier turbulence. We solicit your support to ensure that your Army of the future will be more lethal, more deployable, and more versatile with high quality soldiers led by high quality leaders and equipped with state of the art equipment. We must accomplish this transformation by uncompromising adherence to the six fundamental imperatives that have been developed and presented to you by your Army leadership.

QUALITY OF LIFE

Your soldiers do not expect, nor do they desire, an extravagant quality of life. They accept family separations, cramped living and working conditions, and frequent moves. However, they do expect and desire a quality of life equal to the society that they are committed to serve. Your soldiers are citizens of this country. They serve on numerous civic boards and commissions. They give wholeheartedly to local and national charity programs. They volunteer their off-duty time to organizations such as the Scouts of America, they are volunteer firemen, and they are taxpayers.

Although major quality of life improvements have been made over the years, your soldiers and their families are consistently confronted with tough livelihood decisions.

Many soldiers today live below the national poverty level. Some find it necessary to have to go on welfare and to obtain food stamps. Soldiers are required to live in antiquated barracks with insufficient heating and cooling systems. Some are still living in quonset huts and World War II barracks. Because of assignment to high cost of living areas, with the shortage of on-post housing and the high cost of economy housing, in most cases both parents are required to work causing the need for increased child care services.

Soldiers don't understand in some cases pay raises that result in less actual take-home pay. They don't understand the proposed 25 percent cost increase for replacement military clothing. They see a changing retirement system. They see curtailed medical services for retirees and increased cost sharing for CHAMPUS coverage. Due to the recent funding changes for MWR activities, prices for recreational services on post are increasing and some facilities are being closed. I strongly believe that if these trends continue, recruiting and retention will become a more difficult, if not impossible, task.

SEPARATION PAY

As we transform to a smaller Army, many of your high-quality soldiers are subject to separation from the Army prior to reaching retirement eligibility. These outstanding soldiers have met the standards and through no fault of their own but as a result of a force reduction, they may be forced out of our ranks. We strongly solicit your support for the Department of Defense separation pay

plan for these outstanding enlisted soldiers and their families. We believe that it is the right thing to do.

SUMMARY

Now, your soldiers have many other concerns, especially our reserve component soldiers and our retirees. But we have presented to you some of the major issues. As we move through this decade to the 21st Century we know that you will be confronted with tough decisions. But while you make the hard decisions facing our nation, I know that you will do what is right for your soldiers. Rest assured, when needed, your soldiers will do what is right for our country.

Sir, that concludes my opening statement.

I will be glad to answer your questions.

Mr. MURTHA. Thank you very much, Sergeant. Your entire statement will appear in the record.

[The statement of Sergeant Major Gates follows:]

**STATEMENT BY
SERGEANT MAJOR OF THE ARMY JULIUS W. GATES
UNITED STATES ARMY
ENLISTED PERSONNEL ISSUES
27 FEBRUARY 1990**

Mr. Chairman, distinguished Committee Members, on behalf of your enlisted soldiers who serve in the ranks it is an honor to address you. We are grateful for this opportunity. We thank you for your concern and your continued support. This statement is representative of your enlisted soldiers' concerns about their Army and their quality of life. As they serve in the forces which safeguard our country and our way of life.

Today, you have a trained and ready Army. You have the best led, best equipped, and best soldiers in the world.

Your quality, trained and ready Army of today is no accident. It has taken years of hard, dedicated work by dedicated people to build the Army of today. This investment has ensured this generation of Americans free from the thought of foreign conquest. This investment has made and is today making a better life for other people around the world. Unfortunately, freedom is not free. Our people, our soldiers and soldiers' families have paid a price. During the weekend prior to Christmas 1989, while most of us were last minute Christmas shopping and preparing to spend the holiday at home with family and friends, about twenty six thousand of your soldiers would not spend Christmas at home.

On 20 Christmas 1989, your country's most precious resource would once again be required to go where others feared to go and do what others had failed to do. Once again, they would be required to lay their lives on the line for freedom and in the defense of our national policies. Within 24 hours, your soldiers, sailors, airmen, and Marines would relight the torch of freedom for our friends in Panama. Operation Just Cause was brilliantly executed by highly discipline, high trained, well equipped, quality soldiers who volunteered to lay their lives on the line. They had a job to do and they did it well.

It is easy and safe to talk; it is easy to wave flags; it is easy to listen to the bands; and it is easy to watch soldiers march on parade. But it is hard to jump from 400 feet onto a hot drop zone and night; it is hard to blow the barricades; and it is hard to take the barracks. It is hard and dangerous. War, regardless of the intensity, is real mud, real blood, real dread, and real death. The realities of war require soldiers to endure a constant life threatening situation of wounds, suffering and death. And war causes our families to endure the heart breaking news of a fallen loved one.

If your Nation's most precious resource, the men and women who volunteer to serve in your Army are willing to lay their lives on the line to ensure our freedoms, and to protect the integrity of our United States of America, then:

- They deserve a quality of life for themselves and their families equal to the society that they are committed to defend.

- They deserve tough, realistic, safe training that will prepare them to overcome the rigors of war.

- They deserve modern weapon systems, air/ground vehicles and equipment, that will give them the technical and tactical edge on the battlefields of tomorrow.

- They deserve a challenging and professionally rewarding career.
 - They deserve a retirement system that is fair and predictable.
- These things are a small price to pay for the services rendered by your soldiers.

CHALLENGES OF THE 90s, SHAPING THE ARMY OF THE FUTURE:

The 90s hold many challenges for our soldiers and our Army to remain trained and ready to execute our responsibilities for the citizens of our country. Confronted with budget reductions, force reductions, base closures and realignments, your soldiers are concerned! They are concerned with shaping the Army of the future, the dynamics of reducing a volunteer, professional quality Army, and the quality of life for themselves and their families.

It is no secret that your Army will be reduced in size. However, we soldiers strongly solicit your support to ensure that force reductions are accomplished in a planned, highly disciplined manner that prevents soldier turbulence. We solicit your support to ensure that your Army of the future will be a smaller, but more lethal, more deployable, and more versatile Army, with high quality soldiers, led by quality leaders and equipped with state of the art equipment. We must accomplish this transformation by uncompromising adherence to the six fundamental imperatives that have been developed by your Army leadership. By adhering to these imperatives, today's trained and ready Army is positioned to meet the challenges of tomorrow. The Army of the 1990s and beyond will continue to be an Army that reflects the values and ingenuity of our Nation.

A. The first of these imperatives, and the most important, can be summed up in a single word - quality. It is this characteristic that enables the Army to fulfill its worldwide roles in spite of our relatively small size. The high quality of the American soldier - a combination of intelligence, initiative, combat skill, tenacity, and physical toughness - has been a traditional source of victory in battle. Our experiences have strengthened our conviction that recruiting and retaining talented men and women must continue to be our top priority in the Army of the 1990s and beyond. Therefore, if we are to attract the best our Nation has to offer, we must continue to offer them the personal and professional challenges, and a quality of life equal to the citizens they are sworn to defend.

B. The second imperative focuses on sustaining our momentum by maintaining a forward-looking warfighting doctrine that meets the needs of the battlefield today and is ahead of its time tomorrow. We do this by understanding our doctrine and translating it into tactics, techniques, and procedures, applied under the most grueling circumstances, that will guarantee future battlefield victories. This applies to every officer, noncommissioned officer, and every soldier.

C. Our third imperative is to maintain the appropriate mix of heavy, light and special operations forces in our active and reserve components. The Operation Just Cause Task Force was made of special operations units, light and heavy units, forward deployed and CONUS based forces. Although a relatively small force in numbers, the Task Force was a good indication of how we, the Army, envision the force configurations for the battlefields of tomorrow.

D. Fourth, and our top day to day priority, is tough, realistic training. Training is the cornerstone of our readiness and prepares our soldiers to face and overcome the rigors of war. We've made significant training improvements by devoting resources to training more realistically, and to higher standards. We must maintain that momentum by training smarter and using resources wisely. We must continue to improve training of individual soldiers, continue to work at linking individual soldier tasks to unit tasks; and continue to develop confident and competent leaders. We want to challenge our quality soldiers, leaders, and units with meaningful training that produces readiness. Challenge in training also provides the excitement and fulfillment that keeps good soldiers in our ranks.

E. Fifth, we must remain committed on modernizing our combat capabilities to improve our warfighting abilities. Modernization is an essential, continuing process and we must protect and keep the essential programs for the future. We must continue making necessary improvements in our equipment for its survivability and lethality in battle. Modernization in the hands of our quality soldiers give them the warfighting edge on the battlefield of tomorrow.

F. In the final analysis, the capabilities of the Army depend not only on the quality of our soldiers, but on competent leaders. Our sixth imperative is to continue development of Army leaders. We have pioneered many initiatives in this area, to include enhancements in formal education and training, operational experiences and continuous self-development opportunities. Leader development for soldiers and civilians is our most important and lasting contribution to shaping the Army of the future.

QUALITY OF LIFE OVERVIEW:

Soldiers don't expect nor do they desire an extravagant quality of life. They accept family separation, cramped living and working conditions, and frequent moves. However, they do expect and desire a quality of life equal to the society that they are committed to serve. Your soldiers are citizens of this country. They serve on numerous civic boards and commissions. They give wholeheartedly to local and national charity programs. They volunteer their off-duty time to organizations such as the Scouts of America, they are volunteer firemen, and they are taxpayers. Although major quality of life improvements have been made over the recent years, your soldiers and their families are consistently confronted with tough livelihood decisions.

Many soldiers live below the national poverty level. Soldiers are required to live in antiquated barracks with insufficient heating and cooling systems. Some are still living in quonset huts and World War II barracks. Because of assignment to high cost of living areas, with the shortage of post housing and the high cost of off post housing, in most cases both parents are required to work causing the need for increased child care services.

Soldiers don't understand pay raises that result in less actual "take home" pay. They don't understand the proposed 25% cost increase for replacement military clothing. They see a changing retirement system. They see curtailed medical services for retirees and increased cost sharing for CHAMPUS coverage. Due to the recent funding changes for MWR activities, prices for recreational services are increasing and some facilities are being closed. I strongly believe that if these trends continue, recruiting and retention will become a more difficult, if not impossible, task.

A. Quality of Life Improvements: Your positive actions and concern for soldiers' well-being have caused many needed improvements in our quality of life, for which we are thankful.

1. The increased weight allowance for the shipment of household goods has allowed our soldiers a significant savings in what would otherwise have been out-of-pocket moving expenses.

2. The recent welcomed two month dislocation allowance is easing the financial burden that has plagued our soldiers in the past with high cost moving expenses.

3. Although we still experience a shortage of child development services, your continued support for this critical quality of life issue has made a difference. The child development services that are available are 4.

Your continued support for PRIMUS clinics and CHAMPUS reform initiatives are providing needed health care for our family members and our retirees.

We are thankful and grateful for these improvements.

B. Separation Pay for Enlisted Soldiers: As we transform into a smaller Army, many of your high quality soldiers at the noncommissioned officer grade levels are subject to separation from the Army prior to reaching retirement eligibility. These outstanding soldiers have met the standards and they have made a solid commitment to serving this country. Through no fault of their own, but as a result of force reductions, they may be forced out of our ranks. We strongly solicit your support and special funding for the Department of Defense separation pay plan for these outstanding enlisted soldiers and their families. We believe that it is the right thing to do.

C. Basic Pay: Since 1982, military pay has lagged behind the private sector. As of today, our pay is behind almost 11 percent. Soldiers are not asking for pay above our civilian counterparts, however, we do believe that we deserve comparability. With the cost of living increases our soldiers are experiencing negative growth in their buying power. If the disparity is allowed to continue and if the gap widens, we will be providing encouragement for our soldiers to seek employment in the private sector.

D. Food Stamps and Women, Infants, Children (WIC) Supplemental Food Program: FOOD PROGRAM: Unfortunately, because of lagging pay and allowances, the shortage of government housing, coupled with the requirement to live in high cost areas, many of our soldiers are on welfare. To survive, they must use federal and state welfare assistance. This condition continues to worsen. In 1987, our soldiers redeemed 4.5 million dollars in food stamps and 1.5 million in WIC sales in our CONUS commissaries. These redemptions and sales grew to 5.1 million and 3.0 million respectively in 1989. We strongly believe that these figures are only a fraction of the total welfare assistance required by our soldiers since we cannot determine the off post use. This condition, in my opinion, is deplorable. Any soldier who volunteers to serve this country should be guaranteed a quality of life above the national poverty level.

E. Family Housing: Economics are causing on post and government leased family housing to steadily become more attractive for enlisted soldiers, especially for our younger soldiers. The lack of government housing at most of our installations, CONUS and OCONUS, forces our soldiers to seek suitable housing in the civilian sector. Housing on the civilian section is either extremely expensive or our troops are required to commute in excess of 50

miles daily on already congested road networks that in some areas include toll cost, to find affordable housing. Many are electing to become geographic bachelors, leaving their families in safe, affordable areas. This practice has a negative impact on morale and readiness and places an additional strain on already crowded bachelor quarters. In addition, this practice causes marital hardships. I encourage your continued support for additional government housing, especially in the high cost areas.

F. Bachelor Quarters: Strides have been made to improve bachelor soldier quarters through new construction, self-help and contractual renovation programs. However, we still have many bachelor soldiers who are required to live in World War II substandard barracks and quonset huts with inadequate heating, cooling and sanitation facilities. In addition, as our bachelor soldiers progress in rank, they have little to look forward to. The options to live off post is almost nonexistent due to the cost and nonavailability of housing. This condition, if allowed to continue, will be detrimental to retaining these high quality soldiers. Our bachelor soldiers deserve adequate living conditions.

G. Basic Allowance for Quarters (BA)/Variable Housing Allowance (VHA): Approximately 56% of the Army is married. Most of these Army families are required to live on the economy and receive BAG and VHA or the overseas housing allowance. These allowances are insufficient for most areas. Commuting costs and regional expenses are not figured when computing allowances for an area. Subsequently, these costs are additional financial liabilities for the soldier. OSD compensation is currently studying a system that will tie housing allowances to HUD standards. We request your support of the OSD proposal which will improve the quality of life for our soldiers who must reside on the local economy.

H. Morale Welfare, and Recreation (MWR): As previously stated, current policy for many of our MWR activities to be profitable are causing price increases for soldiers and family members. Activities that are not profitable are being closed or consolidated. These price increases and consolidations are encouraging soldiers to use off post activities. In my opinion, we are losing the original intent of our MWR programs which was to provide our soldiers and family members with affordable, wholesome recreational activities. This original intent was designed especially for young single soldiers who don't have access to individual transportation. As we transform into a smaller Army, I believe that this policy will require a relook. In my opinion, we are pricing the soldier out of the Army MWR program.

I. Child Care: Because of the high cost of living, both soldier parents are required to work. Subsequently, the need for affordable and appropriate child care is continuing to increase. In addition, affordable and available child care on the economy for our single parent soldiers and our dual military couples is almost impossible to obtain because of unpredictable duty requirements. We appreciate your previous support and we solicit your continued support for this most important concern. This is not only a quality of life issue, it is a readiness issue.

J. Health Care: The primary care clinics and the CHAMPUS reform programs are welcomed health care initiatives for our family members and our retirees. Although we have seen these improvements, many soldiers and retirees are still absorbing basic medical care costs. This year we have seen a slight increase in cost sharing for CHAMPUS. In addition, many soldiers are required to pay the cost differential between the CHAMPUS allowables and the

actual medical costs incurred by using civilian health care. Your soldiers consider health care as the primary benefit while they are on active duty and upon retirement. This benefit is considered to be inadequate by most soldiers who must use CHAMPUS, and by the majority of our retirees. I strongly urge your support for the CHAMPUS reform initiatives and the funding or additional PRIMUS clinics.

K. Reserve Components: The majority of the soldiers who serve in your Army are National Guard and U.S. Army Reserve. Your Reserve Component soldiers have quality of life issues that are unique, which deserve attention.

1. Many of our Reserve Component soldiers pay out of pocket expenses for travel to duty stations because of their dedication. These soldiers deserve just compensation for travel.

2. Post privileges should be extended to Reserve Component retirees who fall into the gray zone - soldiers who have 20 years of qualified service for retirement and elect to retire before age 60.

3. Many of the Reserve Component facilities are in need of renovation to accommodate expanded training opportunities.

4. Our Reserve Component units should be equipped with modern weapon systems and modern air and ground vehicles.

5. Consideration should be given to maintaining the current education programs for Reserve Component soldiers.

These considerations will increase recruiting and retention for our Reserve Components.

L. Retirees: Our retirees have served our country selflessly and many have fought courageously so that we may benefit from their sacrifices.

1. They deserve a military benefit retirement compensation system which preserves the full value of retiree income. The COLA cap should be removed. It is considered as an unfair change in the military retirement program.

2. Your retiree soldiers need health care expense relief by expanding CHAMPUS to supplement Medicare so that all military retirees, regardless of age, receive the same medical coverage. And they need legislation to reduce the CHAMPUS out of pocket cost limit from \$10,000 TO \$3,000.

Your support for our Nation's finest during their lean years would be greatly appreciated.

III. RECRUITING AND RETENTION

As we transform into a smaller Army which will mandate a reduction of quality soldiers from our ranks prior to their retirement eligibility, and as we experience a perceived erosion of pay and allowances, medical care cost increases, cut back in MWR activities, I strongly believe that quality young citizens will think twice before enlisting. And I strongly believe that if force reductions are not accomplished in a disciplined, planned manner, with adherence to the six imperatives, then we will witness an exodus of quality soldiers from our ranks.

A. During Fiscal Year 1989, we accomplished our recruiting goals with high quality soldiers. Our retention rate was the best in recent history with a high quality content. These tough tasks were accomplished through good leadership, good training, recruiting advertisement, and critical incentive programs.

B. If we are going to continue to have a quality Army that is capable of performing our national security mission then we must:

1. Protect and expand recruiting and retention incentive programs.
2. Continue the Army College Fund.
3. Adequately resource Army recruiting advertisement.

SUMMARY

Your soldiers have many other concerns that demand your attention. However, we have covered the major issues. As we move through this decade toward the 21st century, we know that you will be confronted with tough decisions. While you make the hard decisions that are facing our country, I know that you will do what is right for your soldiers. Rest assured, when needed your soldiers will do what is right for our country.

Sir, this concludes my remarks. I will be glad to answer your questions.

Mr. MURTHA. Now we will hear from Master Chief Petty Officer Bushey.

SUMMARY STATEMENT OF MASTER CHIEF PETTY OFFICER BUSHEY

Master Chief Petty Officer BUSHEY. Good afternoon, Mr. Chairman, and Members of the committee.

You have my official written statement and opening remarks so I will better utilize my time by answering your questions. I do have, because of the changes that have been made recently, a few comments I would like to make.

MILITARY PERSONNEL REPROGRAMMING

Everything in my statement is based on the favorable approval of the reprogramming request that is in front of you at this busy time in Washington, D.C.

It would be a waste of time, I think, for us to even consider or publish that we are concerned about the quality of life of our sailors, if because of the failure of reprogramming, we had to do such drastic things as freeze promotions and SRB's, RIF about 25,000 of our strong careerists out of the Navy, and cancel shore duty and start cross-decking again, which we stopped doing years ago.

QUALITY OF LIFE

We have strong, dedicated and loyal sailors today because of the demonstrated care and leadership of this committee. This committee has proven its concern for fighting and winning quality of life issues for our sailors. Our sailors out there today on the ship believe in you.

Our leadership, from the Secretary of Defense to the Secretary of the Navy to Chief the of Naval Operations, has earned the total respect and confidence of our sailors. Never in my short 28 years in the United States Navy have I known sailors who knew who the Chief of Navy Personnel was, but I can guarantee you now every single sailor, knows who Vice Admiral Boorda is. They know him because he has proven to them in his two years as the Chief of Navy Personnel that people make the Navy, and everything else comes second.

Today's Navy will sail to combat across open oceans and sacrifice their lives without question, as they have demonstrated to you so many times in the recent past, because of their faith in their leaders.

As elected leaders of our country, I ask you to be brave during these difficult times. To put personal issues aside and allow our civilian and military leaders enough freedom to protect our people in the United States Navy as it becomes smaller.

SUMMARY

It is my opinion and that is a humble opinion, but I feel confident about it, that not just politics brought down the Berlin Wall; it was not totally our sophisticated weapons that we have today; it was the professionalism, sincere dedication and enthusiasm that our Soldiers, Sailors, Marines and Airmen demonstrated during visits by Soviet dignitaries.

I have seen during my time in Washington, D.C., not a single person, and I would like to repeat, not a single person makes things happen. It is together that we must do what is right for our people.

Thank you, sir.

I am ready for your questions.

[The statement of Master Chief Petty Officer Bushey follows:]

PREPARED STATEMENT OF
MASTER CHIEF AVIONICS TECHNICIAN (AIR WARFARE) DUANE R. BUSHEY
MASTER CHIEF PETTY OFFICER OF THE NAVY

Mr. Chairman, distinguished members of the committee, as Master Chief Petty Officer of the Navy, I am grateful for today's opportunity to present my testimony on issues that affect the Navy's enlisted force.

My statement is representative of the enlisted sailors' views and concerns on quality of life issues. I would like to begin by giving a brief overview.

Since 1980, sailors have answered the call to service from the President more than 50 times. They have time and again proven their ability and willingness to respond. In order to maintain that same proven readiness to respond to future orders from the commander in chief, and to do this with a smaller Navy, we must retain a larger portion of our high quality all-volunteer force.

Readiness is a reflection of retention. Retention figures are a direct reflection of the quality of life we provide and the perception of a stable future. Most sailors accept the facts of long deployments away from homeports, cramped living and working conditions and frequent moves of their families and households.

We continue to serve and willingly sacrifice a piece of our own freedom to preserve democracy. We also continue to serve our country because of job satisfaction and good leadership. Let us not forget, however, that adequate monetary compensation, timely promotions, compensation for arduous time at sea, hazardous duty pay and compensation for out of pocket expenses to perform our jobs are also very strong ties to retention of top quality sailors. We have a strong desire to live equal to our civilian counterparts. Today's seagoing professionals are a part of the community in which they live. They show positive involvement and set the pace in the areas of volunteerism, tutoring, equal opportunity and zero tolerance for drugs.

More so now than ever, sailors participate in elections on a scale greater than the national average. They are aware, active and wise about political issues that affect them. They respond to support or lack of it from their elected representatives.

They see but don't understand the erosion of benefits. They see pay raises which actually result in less take-home pay for some. They watch closely their access to medical care,

adequate housing and recreational facilities. They see a changing and often attacked retirement plan, which for some is the very reason they signed on. They see their commissaries under attack, manpower being taken away and restricted use of appropriated funds for Morale, Welfare and Recreation facilities. They see extreme hardships in moving overseas. Moves in CONUS have also become very difficult.

They see that civilian-sector unemployment is low. Within the civilian community they see equal or better paying jobs, better medical, dental and child care. They also see them spending more time with their families, less frequent moves and better working and living conditions. In the Navy, there is increased difficulty in using CHAMPUS which results in large medical bills. Recently they have read in newspapers that their pay is going to be taxed 50 cents a month to maintain the Naval Home in Gulfport, Miss. They did not object to supporting the home; they were, however, upset about the way in which it was done. In short, I am starting to see a distrust of the system. If I can be allowed to make a prediction, I'd say that the Navy will see an exodus of people in the next few years if we don't continue to build on the positive actions taken in early 1988 and 1989.

The sky isn't totally dark, however. There are many bright spots as well. Readiness and retention are at a high level. In fact, our 1989 retention figures are the highest in the post-Vietnam era. We retained 37.4 percent of our first termers, 56 percent of our second termers and 67 percent of our careerists. Our overall percentage is 49.2. Enlisted retention reached such a high level because of the positive attitude and actions by Congress, the Department of Defense and the Department of the Navy for people in uniform. Our sailors stayed with us even though everything was not OK because they believed in the system and its support. Together we must keep that faith.

To be able to answer the call to arms with professional, experienced people, we need your continued and increased support in areas of critical concern to the fleet today -- the issues that contribute to a sailor's quality of life. We should look into the future when making decisions, not just over our shoulders into the past. Because retention was good these past years does not mean that we can count on the same or better figures in the years to come. Most young sailors are on four or six year contracts and their commitment means that the actions you take today may not show an immediate retention impact. You can be sure, however, that your actions in 1990 will drive the 1992 through 1996 retention figures. We must keep the best.

II. THANKS

I have highlighted many negatives to this point. I want you to know that the enlisted community also has much appreciation for the many positive actions you have taken. You have authorized the increase of reenlistment bonuses; begun new travel programs which bring families together more easily; taken some financial burden out of changing duty stations and started recognizing Naval Reservists for their time served in the fleet. Your help in improving Navy medical care has had a positive affect on the well being of Navy families. I would especially like to thank you for giving us more money than we asked for in one instance. You provided us with \$2.5 million for recruiting advertising that was over and above the budget request. This will assist us in attracting the best and brightest.

III. COMPENSATION

A. Basic Pay. We in the military are not seeking a pay scale superior to that of our civilian counterparts. We are seeking comparability. When I assumed my present office, pay was fifth or sixth on the list of dissatisfiers for people getting out of the Navy. In that year and a half, pay has once again risen to the number one and two spots. Military pay lags behind private sector pay by 11.4 percent as figured using the Employment Cost Index. We realize we will never be rich from our military pay, but we would like to have a more comfortable measure of financial security. The FY-1990 3.6 percent raise we received was the bare minimum acceptable. Because of our troubled federal budget deficit, 12 Navy pay improvement proposals have been postponed until 1992 or later. These include proposals to reimburse members for moving two vehicles instead of one when transferring; providing government-paid house hunting trips for members and their spouses before a transfer to a new duty station; and an increase in the number of days members receive temporary lodging expenses during transfers within the states. Without the passage of these improvements, our transferring sailors will be forced to pay large out-of-pocket expenses. If the disparity in military and civilian sector pay continues to exist or increase, we will be providing incentive for the Navy's best and brightest to seek security elsewhere.

B. Food Stamps. There are many indicators that validate an inadequate pay compensation system. The increase in geographic bachelors (covered later under housing) and the rise in food stamp usage are two. In FY-1989, \$2,065,266 in food stamps were used in Navy commissaries around the world. Of that \$2 million figure, \$1,934,001 were used stateside with \$131,265 used overseas. An untold amount were used in civilian grocery and convenience stores. In addition, commissary customers used \$15.5 million worth of discount coupons. High cost of living

areas such as Pearl Harbor, Hawaii, see the biggest use of food stamps. A number of our sailors, especially our married junior enlisteds with children, depend on Navy Relief grants, Family Service Center food bags, U.S. Department of Agriculture commodities and other civilian social services. Surveys and studies have shown that many sailors with dependents must work part-time jobs as security guards or gas station attendants just to put food on the table. This is more prevalent in high cost of living areas.

C. Enlisted Severance Pay. There has been recent discussion about starting severance pay for regular enlisted members involuntarily separated from the service. If such a pay proposal were enacted, I would strongly hope that it would fairly reflect the member's contributions while serving on active duty and would fully compensate the member for the planned retirement benefits he or she would be losing. I am also concerned that the hard earned progress we have made in building up an experienced and dedicated force would disappear at the stroke of a pen by adoption of a method whereby a member could simply be handed a pink slip. We are dealing with human beings who are special, and we can't afford to abuse the trust they have placed in us just for the convenience of saving money. The impact on "job security" as we know it would certainly be a thing of the past.

D. Stateside Expenses. The current pay system needs improvement. The value of a sailor's pay is drastically reduced when ordered from, as an example, New Orleans to Long Beach, Calif., or from Mayport, Fla., to Philadelphia. (Low cost to high cost areas.) Yes, VHA is paid to offset the cost of housing but what about the other costs and the single sailor who doesn't draw BAQ and VHA. As an example: A 32-year-old male E-6, with a wife who has to work and a child, has two cars and lives in base housing at Mayport, pays \$1,064 a year for automobile insurance. It costs the family \$15-20 to go out to dinner at an average restaurant. He receives orders to the Philadelphia Navy Yard. His wife has to quit working, his insurance increases to \$5,662 a year, if he can get base housing and even more if not. Taking his family of three to dinner at an average restaurant will cost twice or three times as much. Winter clothes are now needed, sales tax increases, tolls are the norm instead of the exception. The single sailor may find their buying power reduced by one-third. The bottom line is, sailors in low cost areas can't afford to move if ordered to a high cost area. They become geographic bachelors and a negative retention statistic. People stationed in high cost areas want either out of the area, adequate compensation or out of the service.

IV. HOUSING

A. Family Housing. Navy family housing is steadily becoming more attractive to enlisted sailors. The increased demand for family housing is based on two reasons: 1. A renewed desire for a close-knit community and availability of base assets; and 2. Simple economics. Navy bases are predominantly located on the country's east and west seaboard. Norfolk; Washington, D.C.; San Diego and San Francisco, our major naval centers in the U.S., are all high cost of living areas. The lack of Navy family housing forces our people to seek housing in the civilian community. Housing in these areas is either extremely expensive or in the slums. To find affordable housing in safe neighborhoods, many sailors are driving in excess of 70 miles a day on already congested highways. On average, those living off base spend approximately 21 percent more on housing than their counterparts living in military owned housing. These hardships are driving families to military housing, where there currently is a shortfall of 52,000 units worldwide. By 1993, it is projected to reach a deficit of 55,000. In addition, many are opting to become geographic bachelors, leaving their families in established, safe and affordable areas. This has a negative impact on the morale of an increasing number of our married sailors and increases the strain on our already critical bachelor housing. I encourage you to continue and increase your support of housing construction programs, such as our 801 Housing and Capehart projects to provide adequate, affordable and safe housing for our sailors.

B. Bachelor Quarters. Housing for our single sailors is just as critical as family housing. Shipboard berthing areas are cramped, claustrophobic, noisy and are full of varied work schedules and almost 24-hour-a-day activity. Many of you have visited our ships but never spent a night in enlisted berthing. Try it. We accept the lack of privacy and normal comforts associated with shipboard living. Conditions are not great, but they are getting better because of major habitability improvements achieved on modern ships. Bachelor housing becomes critical when that sailor reports for much deserved and earned shore duty. They expect improved living standards, but often do not find them. Currently there is a shortfall of 84,000 racks in our shore-based commands. What is available is often substandard World War II barracks with inadequate communal heads, poorly designed and maintained heating and air conditioning, if any at all. The option to live off base is virtually nonexistent because of the high cost of living. All of this adds up to make life outside the Navy look more attractive, comfortable and less restrictive. The obvious happens -- retention suffers. Additional and improved single housing ashore is a must in the scheme of quality of life.

C. Geographic Bachelors. Despite the efforts of the Navy and Congress to make moving easier for families, it is still very difficult. The unavailability of affordable housing and the lowered buying power I mentioned above is causing an increase in the number of geographic bachelors. This puts an additional strain on the ability of the system to adequately house true bachelors. Families willing to endure the difficulties often must sell houses at a loss, spouses must give up career opportunities and often lose money. Children are uprooted and sometimes placed in inadequate school systems. Sailors arriving stateside from overseas often must use additional leave time to resettle their families.

D. BAQ/VHA Inequities. Approximately 31 percent of military families live in base housing. The remaining 69 percent live on the economy and receive Basic Allowance for Quarters (BAQ) and Variable Housing Allowance (VHA) or Overseas Housing Allowance (OHA). As I stated before, the combination of BAQ and VHA or OHA is not sufficient in high cost of living areas. Food costs, tolls and other regional expenses are not figured when computing an area's VHA. Although the Joint Service Study Group report on housing allowances is not completed and has not reported, DoD Compensation is looking at a major modification to the way housing allowances are calculated. BAQ and VHA are currently figured using survey-derived national median housing cost and local median housing cost figures. OSD Compensation is looking at a system that will tie housing allowances to housing costs, as measured by fair market rental values instead of member-reported expenses. The Navy, as the service with the greatest number of people drawing VHA, has the most interest in any changes or modifications and will be closely monitoring any proposals. We must support any proposals that will increase the quality of life of our sailors and make moving less of a hazard and sacrifice.

V. MORALE, WELFARE AND RECREATION (MWR)

A. Homeporting. Department of Defense policy authorizes the use of military construction (MILCON) funds for building Morale, Welfare and Recreation (MWR) facilities at our new strategic homeporting sites. Your continued support in funding these facilities in the proper priority is urged. MWR facilities, with the exception of gyms and child development centers, are not presently competitive in the MILCON process. In the Navy there are over 190,000 single sailors under the age of 24 that we have an obligation to provide entertainment and recreation for. Ball fields, movie theaters and hobby shops are considered an earned benefit by the fleet. As we develop new homeports, we need to ensure that adequate facilities for recreation receive the same priority as piers and shops. Otherwise, the burden is on the sailor. The cost of building exchanges to serve our families comes out of MWR dollars. As

appropriated funds for MWR were restricted, new homeports such as Staten Island were being built. Much of the cost for support facilities comes out of the sailor's pocket. Many of these young sailors, teenagers, are away from home for the first time. It is important that positive lifestyle and behavior modification takes place. The modern chief petty officer not only has to train sailors to be sailors, they share the training responsibility of teaching healthy living and community support. MWR facilities are absolutely essential and have a direct impact on readiness and the training process. All MWR facilities should be able to compete for MILCON dollars, not just gyms and child development centers.

B. Clubs. We have learned a lot about clubs in recent years. The management has made drastic improvements on many bases. Not all clubs were perceived as being essential; many clubs combined and worked well, some didn't. What works in one location may not work in another. Many clubs were built when efficient operation was not a consideration. Officer and chief's clubs were viewed as an extension of official meeting places and even classrooms in the past. The rules changed and appropriated funds disappeared and we were stuck with obsolete buildings and in some cases, equally obsolete managers. My plea to you is: Ensure appropriate funds are maintained at an adequate level to allow smooth transitions, ensure isolated and overseas sites and even stateside stations where options are limited receive the proper amount of appropriated funds. Take away hiring restrictions and food purchase constraints that make our clubs non-competitive with the civilian community. If you do that, we will be able to save a valuable benefit for our enlisted families.

C. Child Care. Service member to service member marriages are on the increase. The number of single parents in the Navy has also slightly increased. Both cases can be very tasking while pursuing a career as a sailor. Even though I would not encourage it for most, many do quite well and it's a fact of life. We must continue to support these sailors and all sailors with appropriate dollars for child care and child development as it affects overall readiness of our fleet units. Finding and keeping adequate and affordable child care by our sailors is much more difficult than in most professions because of deployments, sea duty, lack of the ability to establish routine work hours and transfers necessary in support of sea/shore rotation. Child care is very high, number two or three, on the list of concerns I hear from sailors.

VI. FLEET CONCERNS

The following are a few issues that are top concerns I hear from enlisted audiences I address in my travels. Most of these cost money which is not included in our budget. If and when

any of the proposals are authorized, funds also need to be appropriated.

A. Mandated U.S. Meat Procurement. This measure mandates the replacement of locally procured meats with U.S. grown products in European commissaries. You provided a \$28 million subsidy that will decrease each year until 1992 and then disappear. When the subsidy money runs out, sailors will have to absorb the cost, which will be about double what they pay now. This measure is hurting sailors and the tax payer. Navy families overseas deserve to enjoy the same quality of life as their stateside-based peers. A member of your staff said last year, "The commissary mission is to offer American products at standard prices." Many Navy families in Europe perceive that there will be a marked increase to the price of meat products. This measure also has an impact on the meat's shelf life. The shelf life of meat after it is vacuum packed and boxed is about 40 days. It will take almost half of that time to reach its destination. Additional days will be needed for in-country processing, cutting and marketing. After the maximum allowable time, the meat will still be "fit for human consumption," but will steadily deteriorate in taste, texture and color. This issue has been explained and understood by most but they still perceive that they were used.

B. Privately Owned Vehicle (POV) Storage. When a sailor transfers to Japan and a few other countries, they can't take their POV with them. Currently, Navy people either must sell their vehicles or pay storage fees themselves, unless a friend or family is willing to care for it. If the vehicle is relatively new and must be sold, it is almost certain that the sailor is going to lose money on the deal. They also have the additional cost of purchasing a car when they arrive at their new overseas assignment. We are only seeking authority to pay for storage of these vehicles and the authority to compensate members for the cost of driving the vehicle to a storage site.

C. Removal and Reinstallation of Catalytic Converters. American cars manufactured after 1972 have catalytic converters which require the use of unleaded fuel only. Unfortunately, unleaded gasoline is not available in most foreign countries where sailors are stationed and allowed to bring their automobiles. Navy people ship approximately 12,500 vehicles to and from overseas locations annually. The converters must be removed before the vehicle is shipped and reinstalled upon its return to the states. It costs an average of \$250 to remove and/or reinstall the converters, depending on the make and model of the car. That's an annual reimbursement of \$3,125,000. This is a valid expense that should be reimbursed, and not lost out of the sailor's pocket. Legislation must be drafted and passed to change current laws.

D. Military Banking Facilities/Direct Deposit. We have been directed to go to the Direct Deposit System (DDS). Navy people have backed the system and many sailors have reluctantly signed on, but our sailors on ships at sea are finding it's not always easy. The purpose of the system is to save the government money. Now it looks like we have directed the cost into the pocket of the sailor. Sailors, especially those on sea duty, are very mobile and may visit several different foreign ports during a six-month-long deployment. Military Banking Facilities (MBF), which are subsidized from appropriated funds, are now authorized to charge \$3 for cashing a check, or one percent, whichever is greater, from non-members of that particular banking institution. Yes, most ships still carry cash but the ship isn't always convenient. Personnel stationed overseas feel they have been forced into using MBFs that do not necessarily provide the friendly service their hometown bank or credit union does. They see this as another decision that was made in Washington, D.C., that took money from their pockets with no warning or input.

E. Filipino Immigration. There are 19,109 Filipino nationals on active duty in the U.S. Navy. The Immigration and Nationality Act does not allow them to become U.S. citizens because they enlist in the Navy in the territorial jurisdiction of the Republic of the Philippines, under terms of the Military Base Agreement of March 14, 1947. They come to this country under orders, without an immigrant visa, as other aliens would. These loyal, dedicated and professional sailors are not able to obtain immigrant status. If they are married to other Philippine nationals, neither the service member nor the spouse may work in this country, yet they pay Social Security taxes and willingly go in harm's way. House Resolution 1286 proposes "To amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or enlisted to serve) in the Armed Forces of the United States for at least 12 years." The bill was passed by the House in November 1989 and is awaiting Senate consideration. I urge your support in passing this bill this year for several reasons. It would remedy the current inequity between loyal Filipino service members and other alien enlistees. Annually, thousands seek enlistment, but only 400 of the best and brightest are accepted. They must meet demanding requirements in a selective screening process. Many of them hold college degrees. First term attrition is less than five percent. The biggest and most positive improvement would be to the morale and financial security of those proven and valuable sailors. Many of you have supported this proposal or like ones, but each year it gets pushed into the "hold basket." This amendment is the right thing to do for our dedicated sailors. We need its passage.

F. Additional Dependents. Parents-in-law and other wards living with sailors and dependent on their support should be officially termed "dependents" and receive the same privileges as a spouse or child. Currently, sailors in such positions face large expenses when they must move such family members, especially overseas, when those members aren't eligible for benefits and allowances.

G. Special Uniform Requirements. Increase the amount paid to sailors on recruiting duty, serving as recruit company commanders and band members. The expense they incur is greatly increased from those on normal assignments.

H. Hazardous Duty Pay. Since 1985, hazardous duty pay for enlisted sailors has been set at \$110 per month, before taxes. This includes our sailors working on flight decks, who average 19 years old, and others in critical and dangerous jobs. Often these people work 16 or 18 hours a day in conditions that range from snow and rain to the dark of night. The value of this hazardous duty pay has greatly decreased in the past six years. For FY-1992 we are seeking to increase that pay to \$165.

I. Service Member to Service Member Marriage and BAQ/V-HA. Current laws and regulations are inadequate for service members married to other service members who have no children. Under present rules they each draw single BAQ while both are on shore duty. When one goes to sea duty, that person loses all BAQ entitlements. They still either own or rent a house to live in, as most married couples would, yet their pay is greatly reduced. There are cases where both could lose BAQ because of sea duty and low occupancy in the barracks. Here's an example: An E-4 is married to an E-3, both are on shore duty and draw \$219.60 and \$215.70 single BAQ, respectively. The E-3 goes to sea duty and they lose \$215.70 in BAQ, \$177 in Basic Allowance for Subsistence (BAS) and are not eligible for sea pay. This situation is unique to the sea services.

J. BAQ for Shipboard Sailors. Currently, the books read that single sailors assigned to ships are provided adequate quarters and are not eligible to draw housing allowances. If you have ever been on one of our newest Nimitz-class carriers, you know that berthing spaces are less than what is considered adequate. Privacy to write a letter or read a book is only wishful thinking. Watching television or just looking for an uncrowded place to relax after an 18-hour day is difficult, if not impossible. Sailors call their beds "coffin racks;" that's about how big they are. The coffin rack is not just a place to sleep, it is home, 365 days a year for the single sailor. In its 2.5 foot wide, 6.6 foot long and 10 inch deep insides are stowed all of their belongings. Again I emphasize this is their home, 365 days a year. There are no private rooms, private heads, bike racks or large storage areas; yet by the

written rules this is classified as adequate quarters. Therefore, BAQ cannot be drawn by a single E-6 or below sailor. The majority of our single people are on ships. We must compensate them in the form of BAQ and sea pay. To compound the problem, when a single sailor is ordered overseas or into a stateside area where barracks are not available, that person is forced to live on the economy and set up housekeeping. When that same sailor is ordered back to sea and provided the coffin rack, they lose BAQ. What does that sailor do with the household goods needed at his last duty station; sell at a loss or store the goods at their own expense? Paying members in that situation a Basic Allowance for Quarters would enable that person to acquire a temporary storage facility without suffering yet another out-of-pocket expense.

K. COLA Inaccuracies. The way in which a sailor's Cost of Living Allowance is figured is inaccurate, self-defeating and hurting the person it is designed to help. COLA is figured by means of a survey which asks people how much they are spending. In high cost areas they are driven to lower economic standards, which results in less spending reported on the survey and ultimately in lower COLA. Because of insufficient COLA rates our overseas sailors and their families are limited to activities within the confines of a military base. I think you can see the "Catch 22" our sailors are in. They cannot afford a \$10 per person lunch at an American-style hamburger restaurant in Japan. For a family in Yokosuka to travel to a park in nearby Atsugi, it costs at least \$13 in tolls. The trip from some Navy housing areas to the base at Yokosuka is a \$10 a day affair. This out of pocket financial burden is restricting our sailors and their families from enjoying the cultural benefits of an overseas duty assignment and is damaging to our international relations. Job opportunities for spouses are also severely limited in overseas location.

VII. SUMMARY

We in the Navy and our fellow brothers in arms have a full appreciation for the difficulties of your jobs. We understand that you must be ever aware of balancing the budget, carrying out the wishes of those that elect you and doing the best possible for them and our country. What we, as enlisted sailors, want is concern, understanding and support for what we sacrifice for our country. We don't want superiority over the people we serve and protect; we want an equal standard of living and quality of life. We want to be able to afford to have a family and to care for them with a reassuring sense of security, that when we deploy and carry out our orders, they will be well cared for. We want adequate housing, pay, medical care and recreation. Those of us who have a hand in painting the big picture of personnel management want our sea service

professionals to get what they deserve for the unique sacrifices they make. The Navy's FY-1991 budget includes money for timely promotions, stable rotation requirements and special pay and bonuses for those deserving and qualified. These factors are absolutely essential. If we can't do that, we can't expect to retain the best and brightest we have worked so hard to recruit. The success of 1988/1989 retention figures demonstrates how effective the proper balance of compensation issues are on retention. There is a shrinking pool of eligible young people to serve in our armed forces. Therefore, we must do our best to recruit, train, compensate and retain those people. Our men and women continue to perform their assigned tasks at the highest levels of readiness and professionalism. They are aware of their obligations; morale and esprit de corps are at a high level.

They realize that the Navy must do its part in solving this nation's budgetary problems. They are smart, they are politically aware and they know how you stand on the issues. This understanding goes a long way until it hits the point where they cannot provide an adequate and secure standard of living for their families and themselves. When this feeling is stimulated there are two reactions: They start looking elsewhere for security which reduces retention and readiness; and they let their feelings be known to family and friends which has a big impact on recruiting. "Do the right thing, what's best for the sailor," is the order of the day in our Navy. I'm asking for your support of issues that are the right thing to do -- what's best for this country must always come first.

Biography

Master Chief Petty Officer of the Navy



Duane R. Bushey, USN
Master Chief Avionics Technician (AVCM)
(Air Warfare)

Duane R. Bushey was born on May 3, 1944 in Lebanon, New Hampshire. Following graduation from Wicomico Senior High School in Salisbury, Maryland, he enlisted in the Navy in June 1962.

Master Chief Bushey received recruit training at the Naval Training Center in Great Lakes, Illinois and completed Aviation Electrician "A" school in Jacksonville, Florida. He first saw duty at the Naval Air Test Facility at the Naval Air Station in Patuxent River, Maryland, followed by further technical training in an advanced electronics "B" school. He then served on board the aircraft carrier USS Kearsarge (CVS-33), with two follow-on tours as a flight instructor for fleet replacement navigators with Heavy Attack Squadron One Twenty-Three (VAH-123) at the Naval Air Station, Whidbey Island, Washington and Tactical Electronic Warfare Squadron One Thirty (VAQ-130) at the Naval Air Station in Alameda, California, where he served as Celestial and Radar Navigation Instructor.

Master Chief Bushey then served as the Assistant Aircrew Division Officer for the Aircraft Ferry Squadron Thirty One (VRF-31) in Norfolk, Virginia. While serving with VRF-31, he qualified as an overwater navigator in several aircraft, as flight engineer for P-3 Orion aircraft and bombardier/navigator for A-6 Intruder aircraft.

Master Chief Bushey was selected to attend the U.S. Army Sergeants Major Academy in Fort Bliss, Texas in January 1980 and while there received the General Ralph E. Hanes Jr. Award for outstanding research. Following graduation in July 1980 he returned to VRF-31 as Command Master Chief. He then served as Command Master Chief for Commander Tactical Support Wing One in Norfolk, Virginia followed by a tour in 1985 as Command Master Chief in Theodore Roosevelt (CVN-71). On September 9, 1988 Master Chief Bushey became the seventh Master Chief Petty Officer of the Navy.

Master Chief Bushey is entitled to wear a Meritorious Service Medal (two awards), Navy Commendation Medal (two awards), Navy Achievement Medal, Good Conduct Medal (six awards), Meritorious Unit Commendation and Battle "E" (two awards). He is designated an Enlisted Air Warfare Specialist and has accumulated more than 6,000 flying hours and made more than 400 carrier landings.

Master Chief Bushey has received special recognition as Commander in Chief, U.S. Pacific Fleet Sailor of the Year for 1972 and Tidewater Virginia's Military Citizen of the Year for 1982. The Bushey family was selected as Tidewater Military Family of the Year for 1988.

Master Chief Bushey is married to the former Susan Walker Prause of Salisbury, Maryland. They have a daughter Terry and two sons, Duane Jr. and Joseph.

Mr. MURTHA. Next we will hear from Sergeant Major Sommers.

SUMMARY STATEMENT OF SERGEANT MAJOR SOMMERS

Sergeant Major SOMMERS. Mr. Chairman, Members of the committee, I appreciate the opportunity once again to appear before you and bring you the concerns of our enlisted Marines in the field. These are shaky times for us. A lot of uncertainty in the field.

I hope the information that we bring you today will assist you in making those tough decisions as to what to do with our defense dollars. I am prepared to answer any questions you may have.

[The statement of Sergeant Major Sommers follows:]

SERGEANT MAJOR DAVID W. SOMMERS, USMC

Sergeant Major David W. Sommers assumed the post of Sergeant Major of the Marine Corps on June 26, 1987. Prior to this assignment, he was the Director of the Staff Noncommissioned Officers Academy at the Marine Corps Development and Education Command, Quantico, Va.

Sergeant Major Sommers was born in St. Louis, Missouri on Feb. 18, 1943 and attended Bishop DuBourg High School. He enlisted in the Marine Corps on March 25, 1960.

He underwent recruit training at the Marine Corps Recruit Depot, San Diego, Calif., then attended Infantry Training at Camp Pendleton, Calif. Upon completion of I.T.R., he was assigned as a Browning Automatic Rifleman with Company E, 2d Bn, 1st Marines, 1st Marine Division at Camp Pendleton, Calif. While with Company E, he was promoted to PFC, lance corporal and corporal and served as a fire team leader and squad leader.

Transferring overseas with the 1st Bn, 9th Marines, 3d Marine Division, Sergeant Major Sommers served as a squad leader and platoon guide with Company D of the 1st Bn. Returning from overseas, he reported to The Basic School, Quantico, Va., where he was assigned as a Hand-to-Hand Combat and Water Survival instructor. While in this assignment, he was promoted to sergeant.

In 1964, he was transferred to Hawaii and assigned to Company K, 3d Bn, 4th Marines, 1st Marine Brigade, as a squad leader and subsequently deployed with that unit to the Republic of Vietnam in March 1965. During May of that year, he was assigned to the first Combined Action Company to be formed in Vietnam. He served as a squad leader and platoon commander of a Popular Forces Platoon. For his combat service in Vietnam, SgtMaj. Sommers was awarded the Purple Heart and the Navy Commendation Medal with Combat "V".

He returned to Parris Island for a tour as a Drill Instructor in April 1966, where he was assigned as a Junior and Senior Drill Instructor with Company K, Second Recruit Training Battalion. While in this assignment, he was promoted to staff sergeant.

In 1968, he returned to Vietnam for a second tour, serving as Company gunnery sergeant of Headquarters Company, 7th Marine Regiment, 1st Marine Division. He transferred back to Parris Island the following year for duty as a Senior Drill Instructor with Company E, 2d Battalion, Recruit Training Regiment. Upon promotion to gunnery sergeant, he was assigned to the Drill Instructor School, where he served as Drill Master.

From December 1973 until February 1974, he attended Marine Security Guard School, and upon completion of school, was assigned to the American Embassy, Caracas, Venezuela, as NCOIC of the Marine Detachment.

SgtMaj. Sommers returned to Washington, D.C., in August 1975, to serve as Instructor and Chief Instructor of the Marine Security Guard School. While in this assignment, he was promoted to master sergeant and redesignated to the rank of first sergeant.

During August 1977, he reported to the 3d Force Service Support Group on Okinawa, where he was assigned to the 9th Engineer Support Battalion. Ordered back to Camp Pendleton, he was assigned as the Activity First Sergeant at the Marine Corps Tactical Systems Support Activity. He was promoted to Sergeant Major in October 1980, and was assigned to the Marine Corps Recruit Depot, San Diego, as the Battalion Sergeant Major of the 2d Recruit Training Battalion.

He transferred to Camp Lejeune, N.C., in June 1982, as the Battalion Sergeant Major, 1st Battalion, 10th Marines, 2d Marine Division.

Ordered back to Quantico in December 1983, he served as the Sergeant Major of The Basic School. He then reported to the Marine Corps Air Ground Combat Center and 7th Marine Amphibious Brigade, Twentynine Palms, Calif., in July 1985, for duty as the Combat Center Sergeant Major and 7th Marine Amphibious Brigade Sergeant Major.

Sergeant Major Sommers was assigned as the Director of the Staff Noncommissioned Officers Academy, Quantico, Va., in June 1987. He was selected as the 11th Sergeant Major of the Marine Corps on June 18, 1987, and assumed the post on June 26, 1987.

His decorations and medals include: the Legion of Merit; Purple Heart; two Meritorious Service Medals; three Navy Commendation Medals with Combat "V"; two Navy Achievement Medals; Combat Action Ribbon; Presidential Unit Citation with bronze star; Navy Unit Commendation; Meritorious Unit Commendation; Good Conduct Medal, 8th award; Vietnam Service Medal; Sea Service Deployment Ribbon; Vietnam Presidential Unit Citation; Vietnam Meritorious Unit Citation, Civil Action Color; and the Vietnam Campaign Medal with device.

Sergeant Major Sommers is married to the former Yvette Valentine of Illinois. They have a son, Kenneth.

SERGEANT MAJOR DAVID W. SOMMERS, USMC

Mr. Chairman and Members of the Committee,

Thank you for the opportunity to speak to you about the quality of life of your enlisted Marines. This is the third year that I have been privileged to report to you their concerns.

Your Marines understand that our world is changing. They realize that there is a great deal of uncertainty regarding the future of our military structure, and they realize resources are limited and insufficient to do all things for all people. However, as our forces adapt to the changing environment, we must maintain the confidence of our service men and women. Early outs, reductions in force, and decreases in benefits have the potential to create a perception that the commitments made at the time of enlistment are not being honored. This perception could have a dramatic effect on our ability to maintain readiness. Recognizing the limits of available funding and the concern of the Committee to ensure that the funds are wisely used, I will direct my comments to the areas I believe to be the most critical.

Today's Marine

The men and women of our Corps are motivated and dedicated. Although they join the Corps for a variety of tangible reasons, such as pay and benefits, the majority make their commitment to serve for the intangible reasons. The desire to serve, the challenge of being a Marine, and our esprit de corps are the primary reasons for initially selecting the Corps. The men and women who join the Corps are eager and determined to earn the right to be called Marines and to share in our traditions of comradeship and selfless dedication. Although the intangibles remain at the heart of a Marine's commitment to serve, as they set higher personal goals and assume additional responsibilities such as dependents, the tangible benefits increase in importance. This is why, if we are to continue to attract and retain quality Marines, we must provide support for those issues deemed to be important to them such as promotion opportunity, pay, and benefits.

Promotions and Reenlistment

I have identified promotion opportunity and pay as the primary reasons why Marines decide to leave the Corps. Previous manpower policy decisions created rank and structure imbalances in many of our occupational specialties. This resulted in a situation which denied many of our Marines equal opportunity for promotion. We had created a "bottleneck" in our promotion pyramid which unfortunately had the greatest effect on our career level Marines. In response to this problem we have improved our Enlisted Career Force Controls. The active measures we have taken created a better balance between first-term and career force requirements. The end results of our actions will be standardized promotion timing and opportunity, relief from

critical MOS shortages, and a balanced level of experience in each grade. These actions, coupled with your continued support for our Selective Reenlistment Bonus program, will pay great dividends in the retention of our trained and experienced Marines.

Military Pay

A key component of readiness is the attraction and retention of high quality personnel. In order for us to maintain our readiness, it is imperative that military pay be adjusted to and maintained at reasonably comparable levels with the civilian sector. With the exception of the FY 1989 pay raise, military pay increases have been capped below those in the private sector. As a result, we continue to lose comparability with the private sector as measured by the Employment Cost Index. On 1 January 1990, the comparability gap between military and civilian pay was 11.4 percent. The revised FY 91 raise of 3.5 percent will further widen the gap. It is my opinion that the gap needs to be closed now.

Our enlisted career force personnel require the most help in reaching pay equitability. In order to achieve the needed comparability, we need to pursue a combination of larger pay raises and a targeted rank distribution similar to the FY 82 pay raise. If we fail to address this issue, it will become increasingly difficult for us to enlist and reenlist quality personnel when their pay and benefits are inferior to alternative, less demanding careers.

Evidence of this widening pay gap can be found in several areas. The number of Marines with part time jobs is increasing. Further evidence is the growing number of Marines maintaining separate households. These Marines are commonly referred to as geographic bachelors. When ordered to high cost duty station areas, they choose to move to their new duty station without their families. This is especially true in areas where we do not have adequate housing, such as Washington, D.C., Kansas City, New Orleans, and numerous independent duty stations throughout the country. We must avoid a situation where inadequate pay causes dedicated Marines to make the difficult decision to leave the Corps.

Dependents

At the entry level, the perceived value of medical, housing, exchange and commissary savings, basic allowance for quarters, and variable housing allowance creates a sense of security which influences our young Marines to assume the responsibilities of family life sooner than they would in the civilian community. Almost 28 percent of our junior Marines are married (32,799 out of 119,192). The average age of their spouses is less than 19

years old. In addition, 510 of our junior Marines are single parents. The net result is that today there are about 211,000 dependents in our Marine family (officer and enlisted) - an increase of over 350 from last year's figure. This increase has resulted in greater emphasis on all of our family oriented quality of life programs to include: housing, family services, day care and medical care.

In spite of our efforts, we are continuing to fall short of our goals. Our housing efforts, although considerable, are unable to keep pace with the expanding dependent population. We continue to experience shortages in the numbers of doctors, and corpsmen needed to care for our active Marines, dependents and retired community. The CHAMPUS Reform Initiative has helped to improve the timely payment of claims, but we continue to burden our families with too many late payments.

The most alarming and disturbing fact associated with the rising number of dependents is the number of Marines in the service of their country who must rely on Food Stamps to meet their basic living requirements. Last year, Marine Commissaries took in almost \$400,000 worth of food stamps. Even more disturbing is that many Marines who should have been eligible for Food Stamps could not receive them because they lived in the civilian community and were receiving basic allowance for quarters. Many of these Marines living in high cost areas are in desperate need of the program.

As a result of operational deployments, a significant number of these Marine families had the additional financial and emotional strain associated with family separation. While we have reduced the number of unaccompanied tours overseas, training and operational deployments have increased. For our married Marines, life in the field, aboard ship, or on foreign soil is inevitably more stressful. The cost of maintaining two separate billets, family separation, and child care are all detractors from our readiness focus. Throughout the Corps, we are taking the actions needed to minimize their effect.

Retirement Benefits

Our treatment of retirees has an impact on enlistment and retention. The way we treat our retired warriors influences the career decisions made by our men and women. We must remember that our retired community continues to serve. Many are a great asset to their community, and continue to be active in supporting military recruiting and service organizations around the country.

As I talk to our retired service men and women, they continually express concern for the erosion of their benefits. The two most common questions I am asked to answer are: "Does anyone care?" and "What will we lose next?" At a time in their

lives where every benefit is needed, the value of their benefits is decreasing. This year their primary concern is the Cost-of-Living Allowance (COLA).

Retired members of the military receive cost-of-living adjustments each year. These adjustments are designed to keep retirees pay in step with inflation. The proposed FY 91 budget calls for permanently reducing the future COLA adjustments by CPI minus one percent beginning in FY 92. There would be no increase for FY 91. I am opposed to these actions for the following reasons. They will erode military retired pay by 15 percent for pre-August 1986 members. For those already retired there is no provision to "grandfather" these actions. Inflation protection has been eliminated and it reduces the value of service annuities which are based on retired pay. I am particularly concerned that the proposed changes have the greatest effect on our enlisted force which historically has retired younger with fewer years of service. For example, under the current system, a gunnery sergeant, 40 years old who retires with 20 years service on 1 May 1990 would suffer a substantial reduction in retired pay. Computing his pay out to age 62 would show a real loss of \$52,860. A significant loss.

Another area of retiree concern is the Armed Forces Retirement Homes (AFRH). These homes provide quality care for our retired warriors. Although experts in the fields of gerontology and health care have been placed on the AFRH oversight board, I recommend that this committee support the placement of an enlisted member on this board. I believe it is important to place someone on the board who is an "expert" in the lifestyles of our retired military community.

Conclusion

People must always remain our highest priority. If we care for them, their families, and their quality of life they will continue to sustain us. I am extremely proud of the Marines and Sailors in our ranks. Their courage, devotion to duty, and selfless commitment to keep our country free can be readily found at every station, base and ship. We have reached a level of excellence that is unprecedented in the history of our Nation's military forces. We appreciate your concern for the quality of life in your military and we seek your continued support. Regardless of budget reductions, we cannot return to the poor state of readiness that we experienced in the 70s. We have reached a standard of excellence and state of preparedness that is good for our Country. We should not repeat the mistakes of the past. With your continued support, we will not fail. In short, your Marines are ready for the challenges of the future.

Mr. MURTHA. May I introduce Mrs. Sommers, who is in the audience.

Mrs. Sommers, I understand has compiled a book on helping enlisted personnel when they move from one place to another when they are stationed throughout the Marines Corps and the Services. We appreciate very much your work.

We will now hear from Chief Master Sergeant Binnicker.

SUMMARY STATEMENT OF CHIEF MASTER SERGEANT BINNICKER

Chief Master Sergeant BINNICKER. Mr. Chairman, Members of this distinguished committee, I appreciate the opportunity once again to appear before you. I appreciate the invitation.

The fact that you invite us back is impressive and I appreciate the support that you have rendered to us in the past.

I have a written statement that you have in front of you and I look forward to your questions.

[The statement of Chief Master Sergeant Binnicker follows:]

CHIEF MASTER SERGEANT JAMES C. BINNICKER

MR CHAIRMAN AND MEMBERS OF THE COMMITTEE, I appreciate the privilege to again appear before you in my capacity as the Chief Master Sergeant of the Air Force to talk about issues affecting the Air Force enlisted force. Let me start by thanking you for your past support for people programs, which have allowed us to build the best Air Force in the history of this country, and in my mind the world.

We especially want to thank Congress for approving the 3.6 percent across the board pay raise this year, allowing us to pay an increased Dislocation Allowance, and authorizing lump-sum payment of move-in overseas housing costs. Finally, restoration of per diem equity has significantly helped enlisted members meet expenses incident to official travel.

The quality of Air Force enlisted personnel has never been better. In my role as the Chief Master Sergeant of the Air Force, I travel approximately 75 percent of the time visiting Air Force people around the world. In my private and public discussions, I get a strong feeling that morale continues to be good and our people are very proud to serve in the defense of this nation. They willingly serve with honor and with a strong commitment to preserve democracy, and the American way of life. The Air Force is committed to maintaining this level of quality. However, our members want to have a quality of life equal to their civilian counterparts. Therefore, it is very important that our compensation and benefits packages are fair and equitable, providing adequately for them and their families.

As we enter a new decade, we face the challenging task of maintaining a smaller force of motivated, high quality people to accomplish the mission. Current FY 90 Congressional budget reductions, and the impacts of the Gramm-Rudman-Hollings Act sequestration, coupled with continuing budget deficits have placed us in a critical position. We have taken some actions that will affect our people, their families and the mission for many years. For example, because of end strength reductions, we reduced enlisted accessions from 54,000 to 36,000. Additionally, we have implemented widespread enlisted separation programs, reduced Permanent Change of Station (PCS) moves and limited selective reenlistment bonus payments.

These drastic measures were implemented to meet FY 90 budget shortfalls. Projected FY 91 end strength, will result in force-wide undermanning. In the late '70s, we used the term "Hollow Forces" to represent this undermanning situation. Many of our older Noncommissioned Officers (NCOs) remember, as I do, those days. They lived through that time and don't want to do it again. They tell me "we can't do more with less anymore." They believe that we will either do less, or invite accidents. The seniority and experience levels we have today are the reasons our readiness has not dropped to date.

The FY 90 budget shortfalls have caused us to rethink

our position on several issues. In the past, we denied reenlistment to airmen only for quality factors. However, due to current and projected end strengths, we will be forced to limit the reenlistment opportunity for qualified airmen who want to stay with us. We have not previously supported enlisted severance pay because we didn't envision ever having to limit reenlistment to highly qualified and dedicated people who asked to stay. That vision has now changed and we are seeking the provision of separation pay for those quality tenured enlisted people who may not be given an opportunity to complete an Air Force career. Additionally, to continue to accomplish a balanced force reduction in the future, the Air Force is going to need to take other measures that we have not taken in the past. In addition to limiting reenlistment opportunity, we are lowering the high year of tenure of otherwise qualified and dedicated NCOs. These actions will directly impact our experience levels and our ability to sustain readiness.

Our members are well aware of the problems this country faces because of the deficit and they have accepted the budget cuts over the past several years as necessary. They also recognize that the Air Force will be smaller in the future; however, they do not want "hollow forces" and therefore they hope that force structure changes are made effectively, allowing us to fully man those units the Congress and the Administration decide are required.

Let me state emphatically, that commitment to our people will be one of our driving factors, as we continue to make these major force changes. By setting standards of commitment early in the process, I believe, we will emerge with people who have faith in their leadership and commitment to mission. Your commitment to these standards and our people will ensure we retain a capable high quality force -- this is our goal.

History reveals that in 1979, a combination of economic factors, successive military pay caps, and expanded private sector job opportunities drove many of our talented and experienced NCOs out of the service. Similar conditions are appearing today. While we are experiencing excellent retention today, shortages do exist, particularly in our high-tech and sortie-generating skills. Members with these skills are being offered lucrative opportunities with commercial companies. We must remember that low retention results in increased training and replacement costs.

Therefore, to retain a force consisting of quality people, I must emphasize our need for your continued support for equitable compensation packages, quality housing, and adequate quality of life programs. This assistance is imperative if our people are to keep pace with the civilian sector and remain loyal, dedicated members of our Air Force.

What is it they want and deserve? They want a standard

of living that is commensurate with the mission they perform and equal to their counterparts in the nation they defend. They want a predictable, dependable, and equitable compensation and benefits package. THE MAJOR AREAS OF CRITICAL CONCERN FOR THE ENLISTED FORCE TODAY ARE:

MILITARY PAY
HOUSING ALLOWANCES
HOUSING
MEDICAL CARE
FAMILY MATTERS

MILITARY PAY:

Pay comparability is our most immediate concern. Military pay was last comparable to private sector pay in 1982. Since then, it has lagged progressively farther behind, and after the 3.6 percent raise for 1990, the gap is now 11.4 percent. More significantly, for the last three consecutive years, military pay has lagged inflation by an average of 1 percent per year. Our people are beginning to feel the erosion of their purchasing power. Even with approval of the FY 1991 pay raise request of 3.5 percent, these trends will continue in 1991 as most economic forecasts project substantially larger increases in both private sector wages and inflation. Elimination of the pay comparability gap may not be achievable in the present economic environment. However, there cannot be any further erosion in the purchasing power of military pay. While retention remains strong in most career specialties, this will not continue if members see a combination of declining military living standards and better opportunities in civilian life. Accordingly, we strongly support the 3.5 percent pay raise request. Approval will send the right signal to our people that their welfare is of prime concern as we cut defense spending and restructure the force.

HOUSING ALLOWANCES: BASIC ALLOWANCE FOR QUARTERS (BAQ) AND VARIABLE HOUSING ALLOWANCE (VHA)

The restructuring of the military housing allowance system in 1985 clearly indicated a Congressional desire for BAQ to reimburse our people at 65 percent of the national median cost of housing for their grade and dependency status. The VHA is designed to recognize that the military orders members to move between areas with very different housing costs. It was designed to ensure that members can afford adequate housing regardless of where in the United States we assign them. VHA should compensate our members for the difference between costs in their local housing area and 80 percent of the national average for their grade. In effect, members are expected to absorb 15 percent of the national median housing cost for their grade. However, because of VHA budget limitations and BAQ increases below housing cost inflation, today, our members absorb approximately 20.5 percent of that national average.

To maintain the quality of life factor that decent housing represents to our people, particularly our junior personnel, we would ask for Congressional support of our upcoming efforts to bring this allowance back in line with the original Congressional intent.

HOUSING:

This issue of adequate military housing is becoming more critical to the troops everyday. Any measurement of a person's living standard must include their housing. Our members with dependents deserve on-base housing that is up-to-date in amenities and comparable in size with the civilian world. Many of the current housing units are 30-35 years old and are too small, have too few bathrooms, lack adequate kitchens (to include a dishwasher), and many are not carpeted. The number one issue for our airmen in the barracks is privacy. They want to be able to sleep undisturbed and know their belongings are secure. They do not want to share bathrooms.

The solution to these issues lies in a variety of fixes. We must have a MILCON budget which allows us to update military family housing. This must also include new and innovative financing methods. We should embark on a gameplan to provide private rooms and baths to our members in barracks.

MEDICAL CARE:

Access to affordable, high quality health care for Air Force members is high priority. Our commitment to the welfare of our people and their families must be strong. Our people want assurances that their dependents will have medical care available regardless of where the member is assigned. Our commitment recognizes the critical need to have the health care providers necessary to sustain a healthy fighting force. In addition, we also have an inherent responsibility to provide quality health care to active duty members, retirees, survivors and their families.

We continue to try to recruit and retain the number of experienced physicians, nurses and the medical support staff to get the job done with the limited manpower dollars available. In the current fiscally restrained environment, our efforts in this area are very important. Initiatives approved by the FY 90 DOD Authorization Act such as increased physician incentive pays, retention bonuses and nurse accession bonuses should help the recruiting and retention of health care professionals. To improve the medical care provided our members and their families, I solicit your continued assistance for health care program initiatives.

FAMILY MATTERS:

Air Force leadership recognizes that families have the major voice in career decisions. Therefore, they have a direct impact on readiness. With two-thirds of our members having family responsibilities, we know that the well-being of the family affects the morale and productivity of the military member. In today's environment, it is essential that we consider the family in our decisions. This only supports the need for adequate pay, housing, medical care, PCS reimbursements and a viable retirement system.

In recognition of the impact of the family, the Air Force is establishing Family Support Centers at 123 major installations. These centers identify, develop and coordinate programs that improve the well-being of the family. They assist in spousal employment, financial counseling, relocation assistance, and other areas that play a part in the attitude of the family.

Input from the Senior Enlisted Advisors of the Major Commands shows that the Family Support Centers are having a positive impact on our members and their families. The Advisors and their bosses, the Commanders, are anxious to have centers open on all their bases. Accordingly, we hope you will assist by ensuring requested funding for Family Support Centers is approved.

CONCLUSION:

Air Force enlisted men and women are committed to defending this country, to include giving their lives if necessary. They are top quality and they are trained to do their job. They want to serve their country and they will.

Still, I share with you my perception and that of the older NCOs in expressing concern about returning to the "hollow forces" of the late '70s. Additionally, the younger enlisted members ask about their futures. Will they have a career in the Air Force? And what about their equipment--in the future will they have modern up-to-date weapon systems and the parts needed to sustain readiness, or will they be working with older systems and not have the necessary parts--the situations the old guys talk about.

As you make the hard decisions you must to resolve the deficit and other important problems, I hope you remember the dedicated members standing guard to protect this country and its concerns. Please remember they are people who deserve a fair and equitable compensation and benefits package--one that provides a standard of living commensurate with their mission and allows them to provide for themselves and their families.

Mister Chairman, this completes my prepared statement. Again, I appreciate the opportunity to appear before this subcommittee. It will be a pleasure to answer any questions



Biography

United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330

CHIEF MASTER SERGEANT OF THE AIR FORCE JAMES C. BINNICKER

Chief Master Sergeant of the Air Force James C. Binnicker is adviser to the secretary and the chief of staff of the U.S. Air Force on matters concerning welfare, effective utilization and progress of the enlisted members of the Air Force. He is the ninth chief master sergeant appointed to this ultimate noncommissioned officer position.

Chief Binnicker was born July 23, 1938, in Orangeburg, S.C., where he graduated from Aiken High School in 1956. He graduated from the U.S. Air Force Senior Noncommissioned Officer Academy in 1973 and the First Sergeant Academy in 1974.

He entered the Air Force in August 1957 and received basic training at Lackland Air Force Base, Texas. He was then assigned to the 96th Air Refueling Squadron, Altus Air Force Base, Okla., as a life support specialist until 1963. He then cross-trained to the air operations career field and transferred to the 816th Strategic Aerospace Division, also at Altus, as an air operations specialist. In July 1964 he was assigned to the 1502nd Air Transport Wing (later became 61st Military Airlift Wing) as noncommissioned officer in charge, wing operations, Hickam Air Force Base, Hawaii.

From August 1967 to August 1968 Chief Binnicker served with the 4th Strategic Aerospace Division, Grand Forks Air Force Base, N.D., as NCOIC of base operations. He then transferred to Binh Thuy Air Base, Republic of Vietnam, where he served as NCOIC of base operations with the 22nd Tactical Air Support Squadron. While in Vietnam he was assigned to the Republic of Vietnam Armed Forces Language School, Saigon, as a language instructor. Leaving Vietnam in September 1969, Chief Binnicker moved to Robins Air Force Base, Ga., as an air operations superintendent in the 58th Military Airlift Squadron.

He became the NCOIC of wing operations, 374th Tactical Airlift Wing, Ching Chuan Kang Air Base, Taiwan, in May 1971. Upon returning to the United States in August 1972, the chief served as operations superintendent, base sergeant major and wing senior enlisted adviser with the 4th Tactical Fighter Wing, Seymour Johnson Air Force Base, N.C. In September 1975 he was assigned to 12th Air Force, Bergstrom Air Force Base, Texas, as the senior enlisted adviser.

Chief Binnicker served as the Air Force enlisted representative and senior enlisted adviser on the President's Commission on Military Compensation from October 1977 to April 1978. He returned to 12th Air Force as senior enlisted adviser and in June 1978 he was appointed senior enlisted adviser to the commander in chief, Pacific Air Forces, Hickam Air Force Base. In June 1981 the chief was assigned to Randolph Air Force Base, Texas, first as chief of the Enlisted Retention Division, Manpower and Personnel Center, and in May 1982 he was appointed assistant



(Current as of October 1986)

OVER

for chief master sergeant matters. In February 1985 Chief Binnicker was selected for the 33 Year Extended Tenure Program. He became senior enlisted adviser to the commander, Tactical Air Command, Langley Air Force Base, Va., in May 1985. He assumed his present duties in July 1986.

His military decorations and awards include the Legion of Merit, Bronze Star Medal, Meritorious Service Medal with three oak leaf clusters, Joint Service Commendation Medal, Air Force Commendation Medal with one oak leaf cluster, Vietnam Service Medal with three service stars, Republic of Vietnam Gallantry Cross with Palm and Republic of Vietnam Campaign Medal.

He is married to the former Jan Chambers of Kenansville, N.C. They have two sons, Carmen and Michael.

Mr. MURTHA. Mr. McDade.

QUALITY FORCE

Mr. McDADE. Mr. Chairman, thank you very much.

Let me add my welcome to all of you for being here for the excellence of your testimony that you have given us through the years and offer you on behalf of all of us our deep appreciation for the services you have given to the nation. We are deeply proud of you and grateful for all that you do to keep the country and keep us strong around the world.

You must wake up every morning smiling when you see democracy breaking out all over the world. I know I do and I know that if you people had not been there willing to take the hard hits and do the hard things that brought it all about it would probably not have happened.

It gets quizzical to me sometimes, too, that the flip side seems to be everybody wants to bring down the military, reduce the budget drastically, find ways to do this and do that, readjust the organization that brought it all about and made it come about.

Of course, as all of you said, we are going to have adjustments and realignments in the forces but I think if I heard you say one thing together, it seemed to me that it is the basic thing this committee would agree with and that is that the quality of the people in the military has never been higher.

Do you all agree with that statement?

Sergeant Major GATES. Yes, sir.

Master Chief Petty Officer BUSHEY. Yes, sir.

Sergeant Major SOMMERS. Yes, sir.

Chief Master Sergeant BINNICKER. Yes, sir.

IMPACT OF REPROGRAMMING DENIAL

Mr. McDADE. All of you went through the hollow Navy, and the hollow Army and everything else. You were all there. You saw it all, didn't you?

Let me ask you this. I was shocked—and you brought up the question of reprogramming—to see in the morning paper a statement by the Chairman of the Armed Services Committee that he was not going to consider relief from the reprogramming request which has been sent over to give some relief from the Gramm-Rudman-Hollings sequestration consequences.

I know our committee looked at the requests that have come over and with some adjustments the Chairman last week said we were getting ready to act on it to make sure that we had those reprogrammings in place so that you would not have some kind of a sequestration cut falling on the personnel side of the shop and doing what would seem to me to be irreparable damage to the quality of the people that we have in the Service.

I have calculated that unless there is relief by April 1, there will be RIFs required of between 124,000 to 136,000 people this year. That is why I say "shocked" when I read in the paper that the Chairman of the authorizing committee said he wouldn't consider the reprogramming request.

Now, what I would like to do is have each of you comment on what kind of a RIF action like that, what would it do to the quality of the Services? What would be the impacts on morale, on readiness? What would be the impact if because of this inability to permit us to readjust over a lengthier period of time we did have things like promotions frozen?

According to your testimony, we today see military people who have to live on welfare and get food stamps despite the salary adjustments. I don't know how you want to proceed, but I would like to have a dialogue with you about the impacts you would see as the senior enlisted people? About RIFs of that nature, things like denying promotions, what they would do if it was enacted immediately, with no change of station allowed, et cetera. What are the impacts on the Services?

Sergeant Major Gates, you began this, maybe you would want to kick it off or maybe you want to yield to your colleague who raised the reprogramming issue. Whatever you want to do.

You know you are among friends here. We want to talk to you and hear what you have to say.

Sergeant Major GATES. Let me start with the engine and then we will allow him to fuel the engine, if you don't mind.

There would be a number of actions that we would be required to take if the reprogramming action is not approved.

First, we would have to freeze PCS moves. We would have to involuntarily release soldiers at least 90 days early, and we would have a total freeze on enlisted soldiers' promotions.

In addition, it appears that we would have to take an additional 20,000 reduction in end strength. All these things are very easy to see and to read and to write, but the end product would cause unnecessary turbulence in the force throughout the entire structure. It would have an effect on the morale, esprit de corps, and certainly on our ability to train and maintain a ready Army.

Master Chief Petty Officer BUSHEY. The reason I brought it up, sir, and I changed my opening statement this morning, is that when I reached my office at 0600 this morning, I guess the word was already out because I immediately got three phone calls from Force Master Chiefs, one from the Pacific Coast, you know how early it was out there, one from the Atlantic and one from Europe. They wanted to know what was going on, and "Do we have a future."

I just came back off the road talking about what they were telling me that our sailors are getting antsy. We had told them we would take care of them, we would be a smaller Navy, but we would be able to do it sensibly.

I went to OP-13 and said if you don't get the reprogramming passed by 1 April, what will it mean?

I left there feeling queasy and a little sick. Our manning would have to drop 11.4 percent. Admiral Boorda saw a smaller Navy coming and had started doing things like cutting our attrition and beefing up in our boot camps and other things that people didn't understand. It has saved us over \$136 million in planning for this. There is just no way left to make up the shortfall without reprogramming.

The way it would have to be done is to RIF about 25,000 people out of the Navy. These are our careerists.

This means we would have to do it horizontally across the board, and we would lose our talent. We would have to stop immediately all PCS moves starting 1 April which means our sailors that are at sea today and returning from a cruise who think they would be able to enjoy shore duty would stay at sea. That would drive a lot of them out in that area.

We would have to stop all our SRB payments at this time, which is the real way for us to be able to keep our career people in the Navy.

By the time all of it was over, about 74 of our ships would be in a C-3 or C-4 category, which means we would not be able to get underway, would not be able to pull our ships away from the pier.

Of course, our officers are pretty well protected by law. The only thing we could do in that area is stop bringing officers in through our officer candidate school so that the entire brunt of this will fall right on the shoulders of our enlisted people in the Navy.

Mr. McDADE. I hear you saying the hollow Navy is coming back.

Master Chief Petty Officer BUSHEY. Yes, sir. Even doing all these things still would not get us quite over the problem. So we would probably either in April, May or June, bring in zero people through boot camp.

All of us saw that before, and we know what happens. Two years from now when we get ready to get underway, we will be saying, where are the Petty Officers to run the equipment? We had that once before. Everything we see happening right now is just what we don't want to do.

I just have a firm belief and commitment in my heart that enough people in Washington, D.C. have worked hard to build our position in the world today and they won't let this happen.

Mr. McDADE. You can rest assured it represents the opinion of this committee for sure, and you can underline it.

Sergeant Major?

Sergeant Major SOMMERS. I would just say ditto for everything. In my opinion it is a terrible breach of faith.

We are going to be required to terminate contracts with people who volunteered to make the military their life's work. I think the bottom line is that it is not good for the defense of this country.

We are going to be required to make reductions; and we are going to be required to make them quickly. Unfortunately, some of these reductions are going to be made with little time to react.

Our commitments will not go away. Our commitments will remain the same as well as the operational tempo. We have a small Corps of Marines, and we are considering about an 8,000 end strength reduction from our active-duty component, in just a short period of time. That can't possibly be good for the defense of the country.

Mr. McDADE. Thank you very much.

Chief Master Sergeant BINNICKER. Without getting into the numbers, sir, what we would do, we would in fact do exactly as the other services would have to do. We would deny reenlistments for first-term airmen and for second-term airmen. We would deny promotions for those people who have been selected for promotions.

We would freeze PCS moves. People would stay in place regardless of where they are. We would have zero accessions for this year. Each month that we wait to make a decision on this, it exacerbates as we get into the year.

You would end up with the hollow force that you are talking about.

Mr. McDADE. The longer we go, the worse it gets. Every day it gets worse.

Chief Master Sergeant BINNICKER. The most important aspect is the feeling that you leave with those people who remain behind, that they no longer trust you. The leadership of the forces would no longer be able to go out and say, yes, it is going to be difficult, but we will stand behind you.

They wouldn't believe you. We will have welshed on the deal.

Mr. McDADE. I regret even having to ask you those questions because they are so offensive to this committee, which has worked for a long time to try to make sure that we would achieve the pinnacle that we have achieved, which was done with a solid group of people performing for democracy all over the globe.

You have done such a superb job and we are proud of you, but, nevertheless in our system we have to put this on the record. We have got to use your eloquent testimony about the impacts on our forces to convince our colleagues, and we will convince them, that this reprogramming has to be granted and as promptly as possible.

We will be working and I want to assure you we will work every day to see that we are able to do that so that this tremendously meat axe approach to probably the finest group of people we have assembled in our history doesn't take place.

I thank you for your testimony.

Mr. LIVINGSTON. Will the gentleman yield?

Mr. McDADE. I am delighted to yield.

Mr. LIVINGSTON. Mr. Chairman, I am just shocked and appalled by what I have just heard. I hope that we do have some opportunity to make this transcript available. I am sure these gentlemen will be testifying before the Armed Services Committee, but I would like to urge that we do everything possible to make sure that the information imparted to us today gets before their Committee Chairman.

Mr. MURTHA. This is an open hearing.

Mr. LIVINGSTON. I thought we were in a closed hearing today. Okay, well, I am glad of that. I hope it gets reported because, frankly, I think this is one of the most bleak and awful prospects of anything that I have seen occur since I have been on this subcommittee over the last six years.

Mr. SABO. Will the gentleman yield?

Mr. McDADE. Sure.

SEQUESTRATION

Mr. SABO. Maybe you gentlemen shouldn't yield because my point of view is somewhat different. We faced Gramm-Rudman-Hollings last fall. It is not a pleasant experience for anyone, or any program. One of the authorities the President had was to request the Congress to exempt personnel from Gramm-Rudman.

He did not do that. That means that the impact of Gramm-Rudman on various accounts and within DOD was known last October and I think there was a clear sense in the Congress that exemptions from Gramm-Rudman would not be granted.

Mr. McDADE. If I may reclaim my time, I understand the different points of view maybe, but I want to say that that decision that had to be made by statute, passed by Congress, on the 15th of August. There was no possible way that decision could be made on the 15th of August. There was a negotiation going on.

By law it had to be made by that date. Now we find ourselves with a reprogramming request in front of the appropriate committees on the Hill. I don't want to go back and quarrel about August 15. I think what we need to do, Marty, is get the job done so we don't have the consequences that we have heard of.

Mr. SABO. I find it difficult to believe that DOD has not started planning how to handle personnel with the sequestered dollar amounts. That occurred last October. This is—November, December, January, February—four and a half months later. If they simply haven't done it on the assumption that they could take care of their reprogramming, it seems to me to be a major miscalculation by DOD.

Mr. McDADE. I just want to say to my colleague, the bill was not passed until November. We didn't know the effects of sequestration.

I voted against the sequestration, in the reconciliation bill, precisely for this reason. That never would have passed in open session. Never.

Mr. SABO. We may well face the same thing this year.

Mr. McDADE. I don't believe we have to do that, my friend. I believe the Budget Committee will have to be more aware of the problems that will face the people who sit at that table and who serve this country as we go along.

I don't think there is any way that this reprogramming request can be denied. We are prepared to act in this committee. There is no reason the committee upstairs can't be prepared to act.

Mr. SABO. I accept that.

Mr. DICKS. Could they have sent up an alternative plan?

Mr. SABO. Yes, right.

Mr. DICKS. The administration could have sent up an alternative plan at any time.

Mr. McDADE. Well, I have the time here; and the law said August 15. Normally, all of us were not in position to do that.

Mr. SABO. The President could have requested exemption of personnel from sequestration which would have the impact of increasing sequestration elsewhere within DOD.

Mr. McDADE. These are the gentlemen that serve the country. The important point to make now is that we have a request in front of four committees to reprogram money out of other accounts and replenish personnel accounts so we don't have to see RIFs or promotions stopped or see any of those things occur. We could solve this problem.

Mr. SABO. In my judgment it is major mismanagement by DOD if they have not dealt with the impact of sequestration on specific accounts, because it occurred in October of last year.

Mr. McDADE. I reclaim my time simply by saying that, of course, Marty, you are entitled to your opinion and I respect it, but I completely disagree with it.

Mr. MURTHA. The time of the gentleman has expired. We will have a personal talk about this, I think, next week.

Mr. Dicks?

Mr. DICKS. I have no questions, Mr. Chairman.

Mr. MURTHA. Mr. Young?

WOMEN IN COMBAT ROLES

Mr. YOUNG. Thank you, Mr. Chairman.

Gentlemen, welcome to our subcommittee. I think you are well aware that the members of this committee are very concerned about the enlisted personnel in our Armed Services and we do the best we can for the quality of life and benefits for the members. We will continue to play that role. I want to ask a couple of rather controversial questions here.

You are dealing with the large masses of people who serve in the military, those in the enlisted grades. What do you think most of your colleagues in the enlisted grades think when they hear about the major political discussions taking place in Washington today about assigning women to combat roles.

Anybody want to respond?

Chief Master Sergeant BINNICKER. Go ahead.

Sergeant Major GATES. As you can tell, sir, I have a good friend to my left.

Master Chief Petty Officer BUSHEY. And right.

Sergeant Major GATES. I appreciate the opportunity to address this subject.

I believe the media headlines have been, in some sense, misquoted about women serving in combat. If we look back at the very beginning of this great country, there was a great lady named Molly Pitcher, who served in combat during the Revolutionary War.

All through history, women have served very gallantly in combat. If you visit the National Cemetery located above Omaha Beach along the coast of Normandy, France, you will see there are several grave markers that indicate that our women soldiers are buried there. They have served gallantly throughout history.

Today we have women serving in the majority of the military occupation specialties within the Army. However, based on the combat probability coding system, we do not have women serving in the combat arms.

They can serve in combat support and combat service support units. Out of about one and a half million positions that we have in the total Army, which includes the reserve component, women can serve in almost a million positions.

I would not speculate about the consequences of changing these policies. They appear to be working and in my opinion, I think we need to continue the present policy. Having said that, if the national will of our country dictates, we would certainly change our assignment policy. But, I would suggest to our national leadership that we need to do more than conduct a study and place the results of that study on the shelf somewhere and allow it to collect dust.

We need to look at other armies around the world, one in particular, the Israeli Army, and see how women serving in combat units in that Army fared during the 1967 and 1973 wars. In addition, I think we need to consider the adverse reactions of our male soldiers if we were to have wounded female soldiers. Would that cut down on the readiness and capabilities of combat arms units?

I believe our women are performing exactly the way that they are supposed to. They are meeting the standards and they are doing an outstanding job. We would not want to see that changed.

Mr. YOUNG. Before the rest of you respond, let me say that that is the reason I phrased the question the way I did. I recognize that many women throughout our entire history have been heroic and valiant and given up their lives on the battlefield one way or another, but my question, when I said about a combat assignment, that was the actual preposition for, and assignment to the job of a rifleman or a gunner or seaman or whatever, actually assigned to that combat role.

That is the reason I phrased the question carefully. I would like to hear from the rest of you as well.

Sergeant Major GATES. If I may, let me add one last comment.

Mr. YOUNG. Sure.

Sergeant Major GATES. During the last year I have talked to thousands of soldiers in groups averaging from 25 to 300. In all cases, I asked for a show of hands how many women would like to serve as a member of a tank crew or rifle squad. The tankers have been few.

Chief Master Sergeant BINNICKER. Sir, I think that women can do anything men can do, some women would not be good in combat and some men are not good in combat. I don't think, though, that the use of the Panama invasion is a good measuring stick to say, well, see they did it and they did it well.

It was a very quick war, if you will, not drug out like Vietnam. There is nothing that will take the place of war to test whether they will be good at it or not. You have to put them in that situation to determine.

We exercise all the time with women in combat-related positions. We have escort policewomen who man base fire teams and do those kinds of things. They wear all the equipment. They carry the heavy equipment. So they appear to be able to do that.

But I would say again nothing will take the place of someone shooting at you with the intent of killing you. We don't practice that. So, can women do it? Sure they can. Should they do it? I suspect that would have to be decided by the American people.

If the American people decide that they want their women in combat, then we will make it happen and we will do it very well. Then we will find out if we ever go to war how well they do that. Maybe that is an expensive lesson, but should the American people decide they want their women in combat, it should not be if they want to go. It should be if you are qualified and we select you, then you are going. It shouldn't be a voluntary thing.

Mr. YOUNG. All right.

Master Chief Petty Officer BUSHEY. Sir, allow me to answer the part of your question where you said, I believe, what would my peer group think of it? The majority of them would support it. We

still have some problems in the Navy in some areas. It is a leadership problem usually. Our women are performing very well on our ships at sea.

The majority of them like it just as our men like it when they go to sea. There is something about going to sea that gets into your blood and it is hard to get out. You enjoy seeing the sunset on the water. The women are the same way. They are doing a good job.

In some of our aviation squadrons they are difficult to deal with because of policies we have about pregnancy. If they get pregnant they stay behind from deployment and they don't have to catch backup. Recently on one trip I ran into problems there. Each one of those that we run into, we will fix them.

I go along with the Chief Master Sergeant of the Air Force. It takes time and attitude change. Our generation has trouble with it. Our children are starting to accept it. Their children will say, "What is the big deal?"

Mr. YOUNG. Okay.

Sergeant Major SOMMERS. Sir, my answer is absolutely not.

Mr. YOUNG. Say that again.

Sergeant Major SOMMERS. My answer is absolutely not. The women that we have in the Corps right now are serving in the Force Service Support Group, Division headquarters and in the wing.

They are assigned missions and billets that are going to cause them to go into a combat area. So when we say that women do not go into combat, it is a lot of hot air because the women are already there.

Should they serve in the infantry, tanks and artillery? Absolutely not. However, they are currently serving in billets that will cause them to become indirectly involved in fire fights along with male counterparts.

It is not a matter of "whether" they are going to become involved in fire fights; they are going to be there. When we deploy a brigade, women will be there. They shouldn't be up front in the infantry units because the majority can't throw a hand-grenade a safe distance. But in the support areas, they do a terrific job and we are very proud of what the women do. Without a doubt, we could probably not deploy without the women we have today.

To put them in the infantry units seems to be fashionable. Everybody is talking about it because of what went on in Panama. Panama was a great example of what the military can do, but it wasn't a forceable entry.

The women that were in Panama had a fire fight, but a few scattered rounds around is not sustained combat.

I think we need to put this whole thing in the right perspective. Women can serve in support units and they will do a great job. But should they be up front, with reconnaissance, infantry, tanks, and artillery? My opinion is absolutely not.

Mr. YOUNG. I agree with the comment about Panama, but the reason I mentioned Panama is because that is what reignited the debate here on Capitol Hill about whether that should happen. Let me ask the Master Chief Petty officer a question. The Navy started having co-ed ships how long ago, six or seven years ago?

Master Chief Petty Officer BUSHEY. Yes, sir, it has been longer than that. I can't tell you the exact date. I can look it up for you. I know in 1972 I was a command master chief in a squadron that had females.

Mr. YOUNG. You alluded to a social problem that sometimes occurred on the ship. Have there been any serious social problems because of the co-ed ships that have been to sea for lengthy times?

Master Chief Petty Officer BUSHEY. If I go out there today, I know we can find some. Humans will be humans, and the birds and bees are going to act. Are we having problems out there on our ships now? No, sir we are not. When I visit these ships, as a matter of fact I just visited a tender that came back from deployment that had zero problems.

They had one case on the ship which resulted in Captain's Mast but was dismissed. They found a male and female behind locked doors. The rules are that you will never be behind locked doors.

Mr. YOUNG. That happens on land, though, too, doesn't it? That is sort of a natural thing.

Master Chief Petty Officer BUSHEY. Certainly does, but has it affected our work? Is it a love boat? Do we have romances going on? No, sir, I don't think so and I don't think I am naive.

Mr. YOUNG. That is very interesting because I remember when the experiment started and there was a lot of wringing of hands and suggestions that this was going to really destroy the morale and destroy the Navy.

Master Chief Petty Officer BUSHEY. Mr. Congressman, I was there at that time, and it was very, very difficult for the male leadership to accept that and we had to learn a lot.

Our leadership style had to change and it is very, very difficult. It was almost like we were set up, in a way. You know, our CPOs are in the age group where—maybe I shouldn't say this—but you know you sit up more at night thinking about what you used to do all night.

In other words, you reach the mid-life crisis and now you have a young lady that looks up to you as a father and you fall into that mode. That is some of the things we are teaching in the leadership area now, that you can't do that. It is working and it is working well.

Mr. YOUNG. Well, just to make a personal aside, Mr. McDade and I find ourselves in that same age group. My youngest son is two years old and his youngest son is a year old.

Master Chief Petty Officer BUSHEY. Congratulations to both of you.

Sergeant Major GATES. One last comment. We outloaded our ranger regiment en route to Panama on C-130 aircraft. The aircraft is supposed to accommodate 64 parachutists completely rigged out, ready to go to war. Through necessity, we had to put about a hundred of those rangers on each aircraft. That aircraft has two urine tubes. Because of the crowding, those soldiers had to pass a five gallon bucket around inside that aircraft to relieve themselves. There will have to be some changes made if we make changes in the way we assign in the Army.

Mr. YOUNG. Would it be safe to summarize the conversation by saying that women have always been and probably always will be

in harm's way at combat but we probably shouldn't change any rules other than the way we function today. Is that what you are telling me?

Master Chief Petty Officer BUSHEY. Yes, sir.

NATIONAL BONE MARROW PROGRAM

Mr. YOUNG. That is a good response from the enlisted side of the table.

This committee was very actively involved in the creation of something that is saving lives everyday in the military and in the civilian part of our life. For people with blood diseases—leukemia—we have now a process of transplanting bone marrow from a donor to the recipient and it is almost miraculous how it works. The problem, and the reason it hasn't been well known for a number of years, is you had to have an identical match, either a brother or a sister, and even then sometimes the match wasn't close enough.

Because of the work of this committee, we created the National Bone Marrow Registry and as of today, we have 65,000 people in the registry who have already had their bone marrow typed and are potential donors if someone needs it.

The military community tells us your chances of getting a matched donor is one in 20,000, so if you are in need of a transplant, the chances of getting one aren't very good unless we can build the registry. The civilian community was not too enthusiastic about this. In fact, they didn't want to have the responsibility, so the U.S. Navy agreed to let us use their computers to begin this registry.

It has been operating three years and we are saving lives, lives who were totally terminal. We are saving about 70 percent of those lives now. The problem is the registry still doesn't have enough names in it. I asked the President, as Commander in Chief, if he would do a study or inquire into the Services, whether or not members of the military would be willing to have their bone marrow typed and have their names put into this registry.

In Washington, D.C., two weeks ago, a beautiful young lady didn't make it because we couldn't find a donor for her. What would be your reaction, and what do you think would be the reaction of most of the people who you work with in the military, if they were asked to have their bone marrow typed and be in the registry as a potential donor?

Master Sergeant BINNICKER. I think they would react as we normally react when asked to participate in something like that. I think it is a great idea. I was just down at Wilford Hall where we do a lot of that kind of work, and see the pluses, so I would be in favor, and I am sure I speak for the majority of the Air Force.

Sergeant Major GATES. I would have to agree. I believe the soldiers would wholeheartedly participate in that program.

Master Chief Petty Officer BUSHEY. You didn't tell us if there was any pain involved.

Mr. YOUNG. I can tell you there is no pain involved in getting the typing done, because it is done simply by a blood test. If the person is typed and is called on to be a donor, there is a little bit of bruising around the buttocks area. For a couple of days you feel

like you have been kicked, but the bone marrow is taken out under anesthesia and there is a little soreness for a couple of days, but it is not a life threatening procedure and the person is asleep at the time it is being taken out.

Master Chief Petty Officer BUSHEY. I will promise you, that if you help us save the sailors and take care of them with this reprogramming, I will personally go out and get every one of them I can to line up and get into your program.

Mr. YOUNG. I appreciate that. You don't have to make that deal, because I want to help you with the reprogramming anyway.

Sergeant Major SOMMERS. We would agree, yes.

Mr. YOUNG. I think I will send a letter to the President and tell him I asked the question and tell him what your response was.

Master Chief Petty Officer BUSHEY. I would like to be involved in that and the sailors will support you.

Mr. YOUNG. That is exciting, because we can save lives with this program if we can get enough people typed.

Thank you, Mr. Chairman. I am going to quit on that very positive note.

Mr. MURTHA. Mr. Sabo.

RETIREMENT PLANS

Mr. SABO. Can you describe the military pension plan right now? As I understand it, there are two systems in effect.

Chief Master Sergeant BINNICKER. Those people who were on active duty before 1 August 1986 have a different retirement plan than people who came after that date.

Mr. SABO. If they enlisted before 1986 there is medical benefit after 20 years of service?

Chief Master Sergeant BINNICKER. That is correct.

Mr. SABO. The key question is, are there any deferred benefits for anybody who has served less than 20 years?

Chief Master Sergeant BINNICKER. No sir. Even under the revised one.

Mr. SABO. As we deal with troop levels in the years ahead, there may well be people who planned on 20 years who end up not serving that much time. To say that there is no deferred pension for service of less than 20 years, I think is unfair. Do you know if DOD is looking at that or not?

Chief Master Sergeant BINNICKER. I don't know. I suspect they are not.

SEVERANCE PAY

Mr. SABO. Is there severance pay now?

Sergeant Major GATES. There is severance pay for commissioned officers, but there is no severance pay for the active duty enlisted soliders.

Mr. SABO. There is for officers but not for enlisted?

Sergeant Major GATES. Yes, sir.

Mr. SABO. So if somebody serves 12 years and does not reenlist gets no severance pay?

Sergeant Major GATES. Yes.

Mr. SABO. But if they were an officer, that is not the case?

Chief Master Sergeant BINNICKER. They do get severance pay if we tell them they can't stay in.

Master Chief Petty Officer BUSHEY. With the officers, if they were passed over twice for promotion, which you don't have in the enlisted community, they would be separated from the Service and they would get severance pay. In the enlisted community, we do not have that. So high year tenure, which means for the Navy an E-4 with ten years would have to go home. An E-5 can stay to 20 years. So we have it with the E-4s. With the Marine Corps, the Army and the Air Force it is different.

What you are hinting at is either a 15 year retirement or severance pay, and I have kind of spoken out against severance pay, but not with the change that we have going on now. If we have to tell people to go home that expected to do a career in the military, we have to change something in the policies that would protect them and give them something for their investment.

What scared me and why I spoke out against severance pay was if it became a law on the books, I am afraid it would become a management tool, and when we got short on money you would find a pink slip in the box—go home and find another career, and here is some money, \$7,000 or \$8,000. I didn't trust it, but if this cutback comes in, we have to do something to compensate people for going home.

All four of us talked about this—we shouldn't be giving it to people being put out of the Navy because of poor performance, or because of drug abuse, or something like that. We need to take care of our career people.

Chief Master Sergeant BINNICKER. I know we are coming forth and asking for severance pay for enlisted people for the first time in the Air Force. We didn't ask for it in the past because we never thought we would have to do such a large reduction in force. I have been opposed to severance pay for enlisted people for the same reason. I don't want to pay for incompetence.

Now that I see there is a real possibility of denying quality people the ability to stay in after they have made a commitment to be career, yes, I am in favor of some sort of severance pay. I am not in favor of a vesting program, I think it is expensive and dilutes your retention effort before 20. It makes it attractive to leave at 20.

Mr. SABO. So you prefer severance to early vesting?

Chief Master Sergeant BINNICKER. Yes, sir.

Sergeant Major GATES. I would like to reiterate that if we have a reduction in force, this drawdown or reduction will be different from any other drawdown or reduction that we have had to execute in the past. The Army today, and all of the Military Services, are strictly volunteer. All of these people have volunteered to serve in the Army. They have made a commitment to themselves, to us, and to the country. They would be expected to be able to serve, if they meet the standards and the qualifications, for 20 years, and then be able to retire and draw some type of pension.

So I believe it is more difficult, and I believe we have to look at the situation in a little different direction than we have in the past. It is easy to draw down a conscript army, but not with people wanting to stay. So it is a very difficult proposition.

Mr. HEFNER. Will the gentleman yield?

EFFECT OF REPROGRAMMING DENIAL

The reprogramming, is one thing we will have to face, but as we draw down in the future we are not going to be able to get those numbers through attrition. There are going to be some people that are going to be forced out who we are going to have to break contracts with. Of course there are some folks that make the argument that in the bad times that people in the private sector get contracts broken, too.

I have always been one of those people that think we should have some sort of draft myself. But it seems to me that we are in a situation right now where there are going to be some people who are going to be put out that don't want to get out and it is going to be tough to make the decision, and through no fault of theirs, they will be unemployed. Like General Motors or a textile mill, they will be disrupted the same way, especially the ones I am concerned about—the people we bring back from overseas.

I don't know the whole situation on the reprogramming, but I think Mr. Sabo is right, I think Mr. McDade is right in some portion of the argument—the fact that the President did not ask for an extension. This is something we are going to have to face up to and it is going to be a tough decision for us, because you have a lot of members who will be affected.

I hate to see these things get down to where they take on a political connotation. It is no fault of yours, you are not to blame for what is happening. I wanted to make that point.

I thank the gentleman for yielding.

Mr. SABO. Thank you.

I was curious, I thought someone said all of the impact of Gramm-Rudman cuts would be on noncommissioned officers?

Master Chief Petty Officer BUSHEY. I made that statement. I base that on that with the severance pay law that they have now on the books for officers. It doesn't include enlisted people in their RIF, so by DOPMA—I believe that is the correct word—officers are protected by law.

In other words, you can't RIF them out. The only place severance pay would come in for officers is if they were passed over twice for promotion. So the only way to affect the officer corps is not to commission any more or to selectively early retire them. We can't go out and say, unless you change some law, you can get rid of this many officers.

In the enlistment community you have no such protection. You can tell the Navy you are going to have to scale down and that would come within the enlisted community.

Sergeant Major GATES. In the Army it affects promotion of officers and if it continues, then we have no choice but to have a reduction in force for our officers, and they will be selected for early retirement. So it affects the entire U.S. Army, including our civilian work force, as we continue to march down the road.

Chief Master Sergeant BINNICKER. We would not—we don't have a plan up front to RIF officers. We would deny reenlistment to first termers in the first month and if you wait another month to make

a decision, we would have to deny reenlistment to second termers and we would freeze promotions for officers and enlisted people.

Sergeant Major SOMMERS. We have had to take measures to "grade shape" our force. We have had a policy for some time wherein a corporal couldn't stay past eight years if he is not promoted. Some of them didn't get promoted because there were no promotion allocations, so they had to leave.

We have supported separation pay for some time, because we have had to move good people out of the Marine Corps in order to "grade shape" and enhance our promotional opportunities. We look forward to the opportunity to talk about severance pay for enlisted personnel and hope that we will have some success in getting something of this nature established.

Mr. SABO. So your process in the Marine Corps is different than the other Services for enlisted personnel?

Sergeant Major SOMMERS. In order for us to achieve the pyramid shape for the grades that we need; that is, to provide all grades ample opportunity to be promoted within the 20 year career of service, we have to have an "up or out" policy. The promotion system requires us to promote Marines by MOS. Sometimes we may need more machine gunners than we need aircraft mechanics, for instance, so the opportunity to be a corporal as a machine gunner may be greater than as an aircraft mechanic.

We have also arrived at a point where in order to open up promotion ranks, we have to retire people who are retirement eligible, who are serving in occupational fields and grades that are excess to our requirement apply when they for reenlistment.

We have had to take some unpopular measures to get the future of the Marine Corps squared away, and that is another reason why the reprogramming denial for us is so devastating. We made a lot of tough decisions to get "grade shaping" back in the proper perspective. Without reprogramming we may have to start over again.

Sergeant Major GATES. The Army has a program based on the number of years by grade levels. If the individual doesn't meet those promotion gates, if you will, then they are subject to separation from the Army, and we have had that policy in effect for years.

Mr. SABO. Is the Air Force policy similar?

Chief Master Sergeant BINNICKER. Yes sir.

Mr. SABO. Thank you, Mr. Chairman.

Mr. MURTHA. Mr. Miller.

TROOP REDUCTIONS

Mr. MILLER. Thank you, Mr. Chairman.

Gentlemen, we know there will be a drawdown in our end strength of troops in central Europe the President has proposed a limit of 195,000, and has also proposed to drawdown troops from Korea in the Asian area, and yet we see on television the very nice commercials, "be the best you can be." We are spending about \$200 million on recruiting just for contracts, and that does not include the salaries of officers that are at the recruiting headquarters. It is almost as if one hand isn't aware of what the other is doing by having those messages. As a result of bringing back troops, at least

what is being considered at the present time, we should have a manpower surplus.

So, therefore, do we need to continue to recruit at the level that we have in the past, which has been quite expensive?

Chief Master Sergeant BINNICKER. I think we will always continue to recruit. Obviously to different levels now. We are going to drop from 56,000 last year to 36,000 this year in the Air Force. So while numbers may be reduced, the effort will be the same. Some people have the notion——

Mr. MILLER. Could I interrupt? Are we going to bring them in the front door and send them out the back door? Will the same amount of people, those who are trained, be sent out while new recruits, who also have the expense of training, will be taken in the front door?

Chief Master Sergeant BINNICKER. We won't be kicking the same kinds of folks out the back door as we are bringing in the front door. We will be bringing in fresh, young troops to train so that there will be an orderly process, using a demographic profile, through the 20 year career, so that we have the right kinds of people in the right age bracket to do the jobs.

That is why we are adjusting on both ends in the Air Force, looking at paring down accessions and at the same time, reducing the top cap points so that we don't do what you have suggested.

RECRUITING AND ADVERTISING

Mr. MILLER. I believe that we have to have some message from the military out to the civilians to tell them why this is necessary. The taxpayer will see the television ads and will see the recruiting offices that are open, and he will know that his tax dollar is paying for them. It may be difficult to put it to understand why would we have both at the same time. If we are going to get personnel back, it seems the need to recruit would be less.

Chief Master Sergeant BINNICKER. I agree that we need to get the message to the American public as to why it has to be that way. There is a reason for it. It is easy to expand the military from a position of high quality and high standards, it is very difficult if you shut it down and then try to build it up from a point of no training or lack of training.

Mr. MILLER. I guess we could maintain the recruiting offices, they are not that expensive. I am thinking of the contracts that we have signed with the networks for advertising. What bothers me is that next year I understand funding for recruiting will be ten percent above what we have now in the 1990 budget. I bring it up for whatever it is worth to you. If you are talking to people in your Services, you can convey the message that we are concerned about it.

Chief Master Sergeant BINNICKER. The wrong Service is talking to you, sir. We do a better job with our recruiting dollars than other Services.

Master Chief Petty Officer BUSHEY. In the Navy because of the arduous duty of riding ships, we have the hardest time with retention. Don't cut back on recruiting now, this is a golden opportunity

to make the small force you are going to end up with even better than what you have now.

We have already scaled back on the people we are bringing into the Navy. We have upped our standards, we are bringing in much less mental group 4s—people who can barely read. We have said now that you have to be a high school graduate to come into the Navy. So as this cutback comes, we can also improve our standards.

If you cut off recruiting totally, you will have a hollow Navy. That same blip is going to show up all the way through. Recruiting is getting harder and harder, because it is a volunteer force and if we end up doing bad things to our people, recruiting is going to get much harder. It is not like in industry where we can shut it off and hire the people back. They will not come back.

Sergeant Major GATES. We are experiencing the demographics flow. Today we have fewer individuals available to meet the high quality standards that we want in the Army. These demographics will remain in place for another three or four years. So, we are seeing a decline in the availability of men at the right age and quality.

In the Army we have cut back our recruiting effort this year. Our target is less for 1990 than it was for 1989, and we will make some adjustments in the recruiting force. But it took us ten years—1970 to 1980, to build a real recruiting force so that we could attract high quality young men and women into the Army. In 1980 and after, we started to receive some of the benefits of these high quality young men and women. So it takes a while to build that recruiting effort.

I believe that we will see a reduction in force, but that doesn't mean that we don't need advertising money. We also need incentives to attract high quality enlisted soldiers into the Army.

Sergeant Major SOMMERS. We always need privates and PFCs. If we turn off the recruiting effort, we will soon have a force full of NCOs. The Marine Corps has always been a young Service. So I think it is extremely important that we continue a full court press on recruiting.

Mr. MILLER. It doesn't fly in my congressional district and we are going to have to have some answers, because we are going to see in the news media troops coming home. We want to support the military. We know the need.

I am not talking about the fact that we shouldn't cut down to the last man, it is a matter of people that support the military by their tax dollars, and they see those people coming home and they look out and see the recruiting office across the street, and at night they turn on the television and see an advertisement. My concern is that it is going to be that many more people who will tell us you are going to have to screw down the lid on the military. They have too much money.

Sergeant Major SOMMERS. I understand fully what you are saying. I also believe that when we start reducing end strength, we should need to let them know that when the troops come home, they will be in the communities looking for jobs.

I think we need to educate the American people as well as the Service members, in this whole arena.

Mr. MILLER. I am not sure whose responsibility that is. Whether it is the Administration or the Legislative branch, but we need to work together to do it, to give them some understanding of what is going on, because I do have this feeling very strongly we are going to hear something like the \$600 hammer, and that type of thing. We are going to hear that the right hand doesn't know what the left hand is doing, and they are going to be unhappy and say cut the military.

Master Chief Petty Officer BUSHEY. Maybe I need to go back and look at figures, but in my statement, Congress upped the amount of money that we asked for in the Navy for recruiting. We were given more money than we asked for in recruiting, and I believe that was probably because many in the Congress realized how important it is.

Mr. MILLER. You may not be as fortunate next year.

Sergeant Major GATES. Sir, just give it to the Army. We will take care of it.

PUBLIC ASSISTANCE FOR ENLISTED TROOPS

Mr. MILLER. One other item that I had, one of the statements that was made here today mentioned in 1987 that our soldiers redeemed \$4.5 million in food stamps. That sounds outlandish, but we have to go beyond that apparently. Do you know, are these soldiers married? Do they have three, four, five, six, seven dependents?

Are they people with large families and therefore that is calculated into the amount of income that they have, and that would allow them to have food stamps? If you could spell that out for us?

Sergeant Major GATES. That number has increased to \$5 million for 1989. The cause is that we have young married soldiers with families living in high cost of living areas. The pay and allowances that we give these soldiers has not kept up with the cost of living. Whether you want to accept that or not, it is a fact of life. Soldiers do have to use welfare in order to survive.

Those figures—I can't be that accurate—because it has nothing to do with the food stamps that are redeemed on the civilian economy. Those numbers are from food stamps were redeemed in U.S. Army commissaries only. The Army does not have any way of determining the number of food stamps soldiers redeem on the civilian economy.

But it is caused by the lack of adequate compensation and the requirement to live in high cost of living areas.

Master Chief Petty Officer BUSHEY. Mr. Congressman, I had that in my statement also, and the figures we have for 1989 on food stamps redeemed in our commissaries was \$2 million, with the Marine Corps figures its \$2,400,000 that we redeemed in food stamps.

The majority of that is in high cost areas. We can relate it to one area that I know of—E-5 and below—that qualify for food stamps. It is not that our young people have five to seven children. I think the average is down to the average in the United States, two and a half children per family. What it indicates to us, and the reason I put it in the statement, is that our pay compensation system, in my opinion, is antiquated. We are going to need something like a state-

side COLA where I can live in some areas of the country very reasonably and live at a certain standard. When you move me to a high cost area, you compensate me for housing with VHA, but not for automobile insurance, the cost of going out, entertainment, and things like that, as my standard of living is lowered.

In the testimony is an example. My assistant sitting behind me, if he lived in Jacksonville, Florida, his automobile insurance would be \$1,000 a year. If we moved him to Philadelphia, Pennsylvania, a high cost area, it would be \$5,000 a year. There is no compensation for that. Therefore, they end up living in the slums and going on food stamps.

The nature of the beast of having to move from a low cost area to a high cost area is that the system doesn't compensate, and it is hurting some of our young sailors.

Sergeant Major SOMMERS. Many of our young Marine families are on food stamps. They live in base housing. If they move out on the economy and draw VHA and BAQ, their income goes up, and they no longer qualify for the federal food programs. So we have a lot of them who live on the economy who need food stamp privileges more so than the ones we have who are actually using food stamps because of their ability to live on the base.

PERMANENT CHANGE OF STATION MOVES

Mr. MILLER. Somebody mentioned moving and the additional funds that are allocated for moving, and they were thanking the committee for the additional funds, at least it helped. We have a lot of moving. I don't know how closely you people are to that subject, but frankly, I feel we are moving too many people everyday. We are moving people—I know there are standards, you need certain qualifications in a person when you move them. You want them to have experience in some particular area, but it costs money to move them. Is there any way that we could reduce that moving expense?

Chief Master Sergeant BINNICKER. I think the Air Force has cut to the point where it is detrimental now to the good order of business. The moves that we make are absolutely essential moves. They are not career broadening for the enlisted corps. They are in fact requirements based on people overseas coming home, and some people go overseas and then want to come back home, and we have to replace them. So that is two people that we have to pay for. There are people who retire or separate and they have to be replaced, so therefore, the moves we are making are absolutely essential.

While it appears to be lots of moves, I watch it on a regular basis to make sure that we are not just moving people for the sake of career broadening, and I think we have cut it to the bone.

Mr. MILLER. We hear about the hardships people go through, whether it is a man or a woman, it is a hardship to move.

Chief Master Sergeant BINNICKER. Absolutely.

Mr. MILLER. Aren't they standing in line—they would like to move to France or England—

Chief Master Sergeant BINNICKER. Not any more, sir. There are no good deals overseas any more. It used to be a person could go

overseas in the Pacific, for instance in Japan. They could live like a king on a military salary. Those days are gone forever. Now the joke is that every Japanese has an American gardener.

Mr. MILLER. I heard they were still standing in line, that they were not going to live like kings, and they knew that, but they wanted the experience, and that would be paid for by the military.

Master Chief Petty Officer BUSHEY. We are looking at ways of trying to convince people that you can go overseas and serve and it is not going to be detrimental. We are having a hard time filling our overseas billets.

Sergeant Major GATES. I would like to make an additional comment. In the Army we have mandatory tours of duty, lengths that depend on where you are located. Unless it is some type of emergency, then before that individual can break that tour of duty, they must request an exception through the chain of command to the Department of the Army. Few exceptions are granted.

For example, Hawaii is a four year tour, and Hawaii is probably the most high priced, high cost of living area in the world today.

Mr. MILLER. I will buy that.

Sergeant Major GATES. Yes, sir. Unfortunately, it is, and we have very limited military on-base housing there. So those tours are structured, and I believe that we give the right emphasis to our soldiers to ensure that they do complete their tours.

Master Chief Petty Officer BUSHEY. Something we have done to cut down on the cost of moving and the number of moves, we recently had a volunteer four month extension—people could stay where they were. We have encouraged homesteading—that used to be a dirty word. If you stayed in one area a lot of your naval career, you were not going to advance. I stayed in Norfolk, Virginia for ten years and it didn't hurt my promotions too bad.

We have increased the window that they could look at in detailing. It used to be six months, now it is nine months. So we could help people stay in the same area, because of the concentration of the Navy in some areas, that you could do a 20 to 30 year career and never leave the area.

You have to put people on recruiting duty, have people pushing boots in Boot Camp. We have to balance the force, you have to balance the talents. The nature of the beast is that there are going to be some moves, but we have done great this year in reducing the moves.

Sergeant Major SOMMERS. Seventy percent of our forces are in the operational forces, and when you assign a Marine to a unit in the 2nd Marine Division for three years, he can expect two six month deployments during his three year tour of duty. He will have spent much of the three years away from home, so at the end of the three year mark, it is time for him to move to allow an opportunity to spend some time with his family.

I would just add, however, that we will not allow anyone that has had less than two years' time on station to move without a signature from Lt. General Smith, our Deputy Chief for Manpower. This policy supports our efforts to limit our moving expenses to the absolute minimum.

Mr. MILLER. Thank you, gentlemen. I am glad we have it for the record.

Thank you, Mr. Chairman.

BOOT CAMP TRAINING

Mr. MURTHA. Let me ask you, Chief. I got a letter about a year ago that said the Marines were too easy in their boot camp. I called the Commandant. I said, General Gray, I don't believe this. I got a letter from one of your officers at Parris Island saying the Marines were too easy in their boot camp.

So General Gray and I and the Sergeant Major went down there. General Gray took off his stars and we landed in a Stealth aircraft. He had sent someone ahead of us, and no one knew at first who we were until they saw General Gray. The training was fine.

I read in the paper—it is true because it is in the Washington Post—but it says now hear this, the Navy softens its recruit training. What do you have to say about that?

Master Chief Petty Officer BUSHEY. Our biggest mistake is probably the color of the tennis shoes. I was going to ask what are the state colors in Pennsylvania and we will come up with those colors. That was an honest effort, and in fact it was a good effort, and I don't think I totally understood, especially by some of the company commanders there who don't see the overall big picture.

We had to save money. It goes back to the reprogramming issue—our Chief of Naval Personnel looked into the future and saw that we were going to be short on money and this reprogramming isn't a new issue, either. In other years, we have had to do this, but he said, I know it is going to be difficult, so let's cut back as much as we can.

We were losing outstanding people in boot camp not because boot camp was too hard, but taking a look, it was the tennis shoes they were required to wear. The average child grows up and becomes 18 years old and never has a pair of leather shoes on their feet. We issue boon dockers and they are limping before the day is over. We march them on the grinders and we wonder why we have to put them out of the Navy because their feet are blistered and have shin splints.

Somebody said, let's put them in tennis shoes and get a better product in the end, and we eventually let them adapt to the shoe. We didn't invent this as a new idea. We looked at the Marine Corps and said how do you do it? And they said, we put them in tennis shoes and let them work their way up into boots. Is that right? It works.

Sergeant Major SOMMERS. But their shoes aren't standing still.

Master Chief Petty Officer BUSHEY. I P.T.'d with them at 5:00 o'clock in the morning on the grinder. We haven't softened up, but it has been hard to understand.

The swimming issue, are we sending sailors to sea that can't swim? We are not. We said that it really doesn't make a lot of sense to recruit somebody from the inner city that has never seen water yet signs their name and says I want to be a sailor. We bring them to boot camp and put them on a 20 foot tower and say jump in the water. If they can't because they can't swim, we say go home. We just wasted thousands of dollars on that individual and got nothing. We are trying to save money by saying, let's get them

through boot camp and then put them in a remedial swimming program and not put them on a surface ship until they can swim.

There are a lot of petty officers that couldn't swim when they came into the Navy. In fact, I was just on one of our ships that collided at sea up at Newport and there was a young second class petty officer there that said, Master Chief, when that water started coming in the side of that ship the only thing I could remember was I can't swim, and I looked at the Chief and said, by God, Chief, we better save the ship. First thing he did when he got back to Newport, he took swimming lessons from the Red Cross.

Mr. MURTHA. You are saying that you haven't eased up in boot camp, you are just changing some of the techniques?

Master Chief Petty Officer BUSHEY. Yes, sir, and tried to do it smarter without making it easier, and I think that is happening.

LESSONS LEARNED FROM OPERATION JUST CAUSE

Mr. MURTHA. Let me ask Sergeant Gates now. I was down to visit three young people at the hospital in Texas who came back from Panama. I wanted to see the procedures in the Air Force hospital and see exactly how they handled the situation there, and I got an outstanding response. They knew exactly what they were doing. They were inspiring in talking to them.

A couple of things worried me. One young man was paralyzed from the waist down. There were only three left in the hospital and he told me that they dropped in at night in a hot zone at 400 or 500 feet, but he says the packs were so heavy that it was impossible to really maneuver. He said the packs weighed 90 pounds.

Do packs weigh that much, and are they over-burdening the people when they jump in, or do they jump in and get rid of part of the equipment? What is the situation there?

Sergeant Major GATES. The procedures are when you exit the aircraft you must immediately go into your points of performance, check the canopy and check to see if there are any jumpers around about to collide with you. Then you immediately release your equipment. The equipment is attached to the main lift web of the parachute by two quick releases. To release the equipment, the jumper must activate the two releases. The equipment falls free, attached to a line.

Mr. MURTHA. How much time do you have to do all this?

Sergeant Major GATES. I was about ready to give it to you, sir. At 1,000 or 1,100 feet, that maneuver does not cause much of a problem, because you have a little time to work the situation. But at 400 or 500 feet—and I think the soldiers jumped at 500 feet in Panama—there is not much time. You are looking at just a matter of seconds from time of exit to hitting the ground. You are going into the points of performance, you are preparing to land, and it is difficult. The packs are heavy. The average weight of the ruck sacks that the soldiers jumped into Panama was about 80 to 90 pounds, depending on the type unit, and that is very, very minimal.

Ammunition weighs quite a bit. Grenades and extra mortar rounds, extra light antitank rounds, and things of that nature, weigh a great deal.

I think the soldiers jumped with one day supply of rations and with very limited personal items in their ruck sacks. It is one of those things, sir, that takes training, and attention to detail and discipline.

Mr. MURTHA. How many were hurt going into the zone? Do you know by this time?

Sergeant Major GATES. We can get the figures and I can supply those.

[The information follows:]

Of approximately 3,300 jumpers, only 52 injuries were incurred. The jump injury rate was not out of line with what can normally be expected to occur during routine proficiency jumps. This was quite good considering the jump was from 500 feet, at night, with full packs. The injuries incurred were those common to jumpers—twisted ankles and knees, and a few fractured legs.

Mr. MURTHA. Do you know how many were hurt by friendly fire? This individual was hit by friendly fire.

Sergeant Major GATES. I could not give you those figures. We know the figures, but I cannot supply those for you today. I will be glad to do that.

[The information follows:]

Our information indicated that five soldiers were wounded in action by friendly fire, all within the first 24 hours. A Ranger was wounded by suppressive fire from a unit of the 5th Mechanized Infantry. Another Ranger was wounded from straffing by an AH-6 helicopter. Two military police (MP) were wounded by Rangers while manning a roadblock and another MP received shrapnel wounds in the thigh. Due to the intensity of combat and the number of weapons around the Commandancia, there may have been others but we have no confirmation of this. No known KIAs were due to friendly fire.

Mr. MURTHA. Do you think the weight is excessive when they jump in? Do you think they can get around for any extended period of time with a pack that heavy?

Sergeant Major GATES. The procedures are when you hit the ground, you have to assemble quickly. Then, if the situation permits, you drop the heavy pack and leave it behind under guard. Then you can go back and get the pack, or it is brought forward to you by some other means.

We have, over the years, developed many things to lighten loads for our special operations rangers and infantry soldiers, but we haven't been entirely successful. Now we have new equipment coming on board that has a small pack that soldiers could possibly use for a very quick assault, but then again, in an operation like "Just Cause" we didn't really know exactly how long we would be in sustained combat until we got on the ground.

I went through that process for a couple of years with the 1st Ranger Battalion in Georgia and in 20 years with the 101st and 82nd Airborne Divisions. It is heavy, but the soldiers make it okay.

Mr. MURTHA. They performed magnificently and knew exactly what they were doing. They were well indoctrinated about the mission, and it was inspiring to listen to them.

There was one Ranger and one 82nd Airborne, and the other was a Seal. I told them, I was Chairman of the Election Commission. I came back and told the Congress that Noriega didn't win that election, the other candidate did, and it didn't mean anything at all until the Army dropped in and almost got Noriega on the first wave, but that was what we had to do.

One young sergeant said to me, "My last day of training was my first day of combat."

Sergeant Major GATES. We had a lot of help from the Air Force, the Navy and Marines.

Mr. MURTHA. I am down there and General Vuono is right in front of me. There is one young Marine lieutenant colonel and he is standing on the side and he doesn't want to come up. I could see he doesn't want to talk to me, but the Army lieutenant colonel pushes him up to me. He said I have a message from General Vuono. He said the Marines did all right, led by the Army.

Sergeant Major GATES. Sir, we couldn't have got there without the Air Force support.

Mr. MURTHA. They did a great job in the hospital. The whole operation was outstanding, versus what happened in Iran. We are trying to work things out.

This is not going to be an easy year. You can see by what you heard in this committee how difficult it is going to be. There is going to be more manpower cuts. No way we can avoid it to just meet the Gramm-Rudman-Hollings guidelines, which the Congress has already passed. We are trying to do it in a rational manner so that we don't go back to the years where everything was in disarray.

Mr. McDade.

Mr. McDADE. No further questions.

Thank you for your testimony, gentlemen, and for your service to the country.

Mr. MURTHA. Thank you very much. Mr. Livingston has some questions which he would like answered for the record.

The committee is adjourned until 10:00 o'clock Wednesday.

[CLERK'S NOTE.—Questions submitted by Mr. Livingston and the answers thereto follow:]

AFFORDABLE HOUSING

Question. Chief Sommers, I can't help asking about your comments in your testimony where you mention areas that do not have adequate housing, such as Washington, D.C., Kansas City and New Orleans. I can understand Washington, D.C. as our own Subcommittee has found from "Blacks Office Leasing Guide, D.C./Baltimore Metro Area" (a guide the local real estate industry recognizes as an authority on local conditions) stated that:

The shortage of affordable housing is reaching crisis proportions in the region
 * * * this affordable housing shortage is severely restricting the labor force potential in the region * * *

But, I am confused about including New Orleans because your Navy counterpart, Chief Bushey, mentions New Orleans as "a low cost area" for the sailor, that is, where the value of a sailor's pay goes a long way. What kind of housing inadequacy are you talking about—on base or off-base? Can you clarify this for the record?

(As far as off base housing in New Orleans, I can tell you that there has been a lot of housing available at low costs for nearly 6 years now. As of today, according to our local Chamber of Commerce, 15,000 to 20,000 units of all kinds were available for sale or rent. In the area of our Naval Air Station the typical rental rate for a 3-bedroom, 2-bath unit is approximately \$390 per month.

Since 69% of military families live on the economy—or off base—this off base housing is critical and New Orleans has it and lots of it).

Answer. In my prepared statement I was addressing the adequacy and availability of on-base housing aboard the Naval Air Station, Belle Chasse and Naval Support Activity, New Orleans; not the adequacy or affordability of housing off base. Currently there is only a combined total of 403 on-base housing units available for all enlisted Marines and sailors assigned at both of these bases.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston.]

[Questions submitted for the record and the answers thereto follow:]

NCO SHORTAGES

Question. I understand the Army has a shortage of NCOs? What impact will a reduced Army have on this shortage? Does any other service have shortages of NCO's?

Army answer. The Army goal is to have NCO demand equal inventory by grade. Due to budget shortfalls, Army NCO shortages were 7.5K in FY 1990 and 5.6K in FY 1991, as of President's Budget Submit. If the NCO shortfall continues an absolute number, that is, 5.7K in FY 1992, personnel readiness will be decreased. To maintain readiness at current levels NCO shortfalls must be reduced to counter turbulence due to inventory and structure disparities at grade and skill levels. Reduction of shortfalls will not initially result in cost savings or NCO reductions until inventory equals demand. Once inventory equals demand both will decrease in tandem.

Other services have NCO shortages to varying degrees. The Navy's shortages are similar to the Army. The Air Force has minor NCO shortages and the Marines have no shortages.

Navy answer. Through effective personnel management, we have been able to maintain the proper level of petty officers.

Marine Corps answer. Yes, there is a shortage of Marine NCOs. Although we promote the number we are authorized, we could use more. We are the leanest of all the Services at 31.5 percent of the top five enlisted grades.

Air Force answer. Our manpower requirements process specifies a need for 52.2 percent (FY 1990/4) of the force to be in the top five grades and are projected to decline to 46.5 percent by FY 1994, given no further drops in end strength. If end strength does not drop, we will need more experienced NCOs to make force structure adjustments successfully. We are very concerned with the promotion flows and will need greater percentages of top-five grades to work through the transition periods.

MILITARY PAY

Question. The statement is made that even after the military pay raise of 3.6 percent in January 1990, there is still a gap of 11.4 percent from the civilian community. By civilian community, I assume you mean the civilian business sector and not civilians employed by the Federal Government. Is that correct?

OSD answer. The index used to compare military pay to private sector pay is the Civilian Wage and Salary Component of the Employment Cost Index (ECI). This component includes private indus-

try workers as well as state and local government workers. It excludes farm, household, and Federal Government workers.

Question. In this comparison, are you using basic pay or the figures contained in the Regular Military Compensation (RMC) chart?

OSD answer. We compute the gap using the rate of change between the basic pay figures and the civilian wage and salary growth as reflected in the ECI index. By using the rate of change between either the Basic Military Compensation (BMC) or the RMC chart, the calculation of the gap is not influenced. The only real difference between the two charts is the addition of the Variable Housing Allowance (VHA) to the RMC figures. VHA also rose 3.6 percent on January 1, 1990.

Question. According to an article in the Navy Times, when the RMC figures are used, the total value of military pay rose an average of 4.2 percent instead of the 3.6 percent usually stated. Do you agree with this statement?

OSD answer. The article (Navy Times, Feb. 19, 1990) is incorrect, as the only cash allowance which is added to the Regular Military Compensation chart is the Variable Housing Allowance (VHA) which also rose 3.6 percent on January 1, 1990. The rate of change remains the same between FY 1989 and FY 1990, a 3.6 percent increase overall.

Question. Do you believe the enlisted member would rather receive one higher dollar amount each month with less entitlements instead of the way he or she is being paid today (i.e., basic pay plus tax-free allowances, incentives, bonuses)?

Army answer. Answer varies with income. Soldiers with lower income, fewer number of dependents would prefer greater take home pay—more dollars. Soldiers with higher incomes, larger families would prefer increased benefits—they recognize a greater need for benefits.

Navy answer. I believe most sailors are satisfied with the present pay system. They are dissatisfied with the amount of pay raises and the shortfall compared to an increasing cost of living. It doesn't matter if you use 3.6 percent or 4.2 percent as a proposed pay raise—it is still far short of the 11 percent we are behind. A simple pay system would severely limit the services' ability to target incentive and special pays to areas where unacceptable personnel shortages exist, such as nuclear power qualified personnel.

Marine Corps answer. The current compensation system generally provides adequate remuneration for each member to maintain a standard of living commensurate with grade. The system also serves as an effective force management tool that uses incentives and bonuses to fill demanding billets and retain critical specialties. Although we frequently tweak the system, the fundamentals of the system work—we should not pursue wholesale changes unless we have had time to study what the impact on our enlisted force will be.

Air Force answer. I don't think so. Even if we tried to pay a flat salary to everyone, we would still need to pay differentials for high demand skills or especially arduous duty. It is important to be able to say we have a basic pay that is the same for all service members of the same grade and service. However, it is also important to recognize there are differences in Service needs among different skills and in personal needs among individuals. For instance, there are normally differences between housing requirements for single

members and those with families. I do not think the Government can afford to pay the equivalent of married BAQ rates to all single members, and it would be unfair to create an average BAQ component that effectively cuts the pay of the majority of the force. The pay and allowance system has some drawbacks, but it is better for our needs than the alternatives that have been looked at so far.

SPOUSAL EMPLOYMENT

Question. What impact does the civilian hiring freeze imposed by the Department of Defense have on the spouse's ability to find new employment once the service member is relocated?

Army answer. As spouses/family members transfer with their military sponsors, they may be faced with serious difficulties in finding jobs within the military community at the new duty station as long as the freeze continues in its present form.

Military spouse preference eligibles who are moving to or within OCONUS currently have the greatest opportunity to find or continue employment within DoD. They have been excepted on a one fill for two vacancies basis. They must be found to be best qualified for the job to be given preference for placement.

Beyond that, employment opportunities primarily are limited to positions for which blanket approval to fill has been obtained. At the present time, these include all non-appropriated fund jobs, commissary store jobs, DODDS/Section 6 teachers, jobs in Berlin, and certain medical and child care jobs.

Spouses/family members may also fill positions which are excepted from the freeze on an individual basis. Such exceptions are expected to be rare.

Employment in positions outside DoD is unaffected. Family members should plan and broaden their job search accordingly, to include consideration of private sector employment.

The availability of employment will depend upon the specific location to which the service member relocates and the qualifications of the spouse/family member.

Navy answer. The freeze had a severe negative impact on our career personnel. It has become extremely difficult to move from one duty station to another without adding on the burden of spouses finding new employment.

Marine Corps answer. The DoD civilian hiring freeze includes a number of exceptions which affect spouse employment.

a. Because more than half of our child caregivers are military spouses, the exemption of those positions (both existing positions and those created pursuant to the 1989 Military Child Care Act) creates significant employment opportunities for spouses.

b. Many spouses are employed by our nonappropriated fund activities, such as clubs, base exchanges and the like. All NAF positions are exempt.

c. Spouses also occupy many positions within our commissary system which have also been exempt.

d. The Secretary of Defense has exempted spouses overseas who may claim "spouse preference" from the hiring freeze.

e. Most recently, the freeze has "thawed" to the extent that we may hire within DoD, thus providing greater opportunity for spouse employment upon relocation.

Air Force answer. On 12 April 1990, the Deputy Secretary of Defense granted authority to fill vacant civilian positions through internal transfer, reassignment, or promotion. This authority makes it easier to place DoD-employed military spouses without a break in service into available vacant positions, providing that funds are available. The civilian hiring freeze decreases the chances of finding new employment for spouses who have had a break in service or who are not on the DoD rolls. Positions filled from sources external to DoD remain subject to the freeze and require specific exemptions by the Secretary of the Air Force or the Secretary or Deputy Secretary of Defense. However, a partial exemption has been approved for placement of military spouses when service members transfer overseas. This exemption applies on a one fill for each two vacancies basis when placing military spouses through the Military Family Act of 1985.

CHILD CARE

Question. Last year, Congress legislated numerous provisions on Military Child Care concerning funding, employees, parent fees, and child development and safety. Are you aware of these provisions? Do you support them?

Army answer. The Army has developed a complete action plan to meet the Military Child Care provisions to expand child care availability, strengthen the quality of child care, and maintain affordable child care. The Army Regulation that governs child care was rewritten and published 12 February 1990 and includes many initiatives to address the legislative requirements. The Military Child Care provisions help the Army support force readiness, promote soldier retention, and improve the family quality of life by making quality child care available and affordable to all soldiers.

Navy answer. Yes, I am aware of the legislative provisions. The Navy has already implemented some provisions and are moving out on others. We are in the process of identifying the resources to comply with the legislation. We anticipate some difficulty in FY-1990 execution since no funds were appropriated to support the legislation. The costs of child care expansion must come "out of hide" and to the detriment of other mission functions and quality of life programs—many of which benefit single sailors. Family Home Care, since it is the least expensive and fastest way to increase child care capacity, and takes least from single sailors, is the best way to go in my opinion. I strongly urge a fee structure which is based on total family income and which is flexible enough to allow for fee increases necessary to cover increased caregiver wages and not come out of MWR, which supports the single sailor.

Marine Corps answer. I have been thoroughly briefed on the Military Child Care Act of 1989 and am enthusiastic about im-

provements in quality, affordability and availability that it portends. I am concerned, however, that it came to us without an accompanying appropriation. Programs for families are often imposed from outside the Marine Corps without required funding. Commanders must then face the dilemma of allocating their scarce resources among operational and training programs, these new required quality of life programs, and competing quality of life programs which meet identified local needs. The Marine Corps seeks to maximize local commanders' flexibility regarding programming, confident that all commanders are sensitive to the conclusion that the quality of life of our Marines and their families is crucial to our continued readiness.

Air Force answer. The Air Force supports the Congressional initiatives to expand the availability and improve the quality of military child care. The Air Force is very aware of the requirements of the Military Child Care Act of 1989 and is aggressively working to implement the provisions of the Bill. Funding guidance has been issued to increase appropriated fund support of Air Force child development centers and family day care programs. Additional competitive service positions for child care have been approved and funded. An implementation package has been developed to increase the wages of caregivers. The other requirements of the Bill are being addressed through changes in Air Force regulations.

Question. This same legislation requested several reports from the Department. Has the Army been involved in the preparation of these reports?

Army answer. The Army provides DOD with input for all of the reports requested by the Military Child Care legislation. In December, we provided DOD with input about how we intend to use the authorized funding to increase the number and the wages of personnel directly involved in providing child care, increase the number of Family Day Care monitors, and hire personnel to launch a major resource and referral program and implement supplemental child care programs.

DOD has developed a DOD Instruction to the Services that includes the Military Child Care provisions, and they have fully coordinated the Instruction with us to ensure concurrence.

The Army is collecting and maintaining data about child care funding and staffing levels, unmet child care demand, employee and patron satisfaction, and child care quality so that we can provide accurate, up-to-date input to DOD for their reports to Congress.

Navy answer. The Navy is working closely with the other services and OSD in preparation of the required reports. The Navy has already provided OSD information to report to Congress on the execution plan to increase the number of employees and availability of child care.

Marine Corps answer. I have not personally been involved in the preparation or submission of these reports. Persons within the Family Programs Branch, Human Resources Division, work with

their counterparts in the other Services and DOD to prepare and submit the reports.

Air Force answer. The Air Force has been heavily involved in the preparation of the DOD reports required by Congress in response to the Military Child Care Act of 1989 and has served as the executive agent in developing many of the DOD procedures required to implement the Act. The reports are prepared by the offices directly involved in the operation of our child development program and would not be reviewed by my office unless there is some area of special concern or the Air Force is experiencing a problem in complying. I am advised implementation is proceeding smoothly.

DEPENDENT EDUCATION

Question. The education of dependents is very important to parents. Would you please comment on your evaluation of education provided the children of enlisted service members, whether it be in the civilian community, at a Section 6 School, or at an overseas dependent's school?

Army answer. We are very pleased with the quality of education provided for our children by the nine Army operated Section 6 School systems. Our latest survey results indicate that 73% of our enlisted spouses are satisfied with the quality of education provided by the overseas Department of Defense Schools (DODDS).

One of the major problems which affects the education of our dependent children in the civilian community are the drastic reductions in impact aid funding since 1982. It is believed that unless Congress takes action to reverse current trends, state schools in support of education for military children will fall tragically short of their public obligations. The primary contributing factors to this situation are inadequate federal funding, a serious lack of appreciation for the problems being experienced by state school districts, and the absence of any constructive initiatives to resolve this dilemma for the benefit of our children.

Navy answer. First, I'd say it is important to all service personnel, enlisted or officer. The education quality depends on local city and state government. Some are outstanding, many are okay, a few are unsatisfactory. In my travels, I have visited many DOD schools. Most families overseas are very satisfied with the DODDS system. In fact, many find it an improvement scholastically from stateside schools.

Marine Corps answer. Dependents of enlisted Marines are provided a free public education at local schools or on-base at Camp Lejeune, NC, Laurel Bay, SC and Quantico, VA at Section Six Schools (S6S) in CONUS and by Department of Defense Dependent Schools (DODDS) overseas. There are great differences among individual schools and school systems. For example, the Bridgeport, California school district has two schools. One, in the ski area is well supported. The other which serves the Mountain Warfare Training Center and Indians from nearby reservation is not. Some S6S are just average while Camp Lejeune wins national awards for excellence. DODDS ranks about average.

The most common measure of "quality education" is the amount spent per child per year. This is based on the assumption (often faulty) that dollars can buy more/better staff, materials, and facilities. The Department of Education (Planning, Budget, and Evaluation) maintains records for all public school districts (not DODDS or S6S) by state. The most recent data available is 1988. The following table displays the rankings of expenditure per student and student/teacher ratios for the states in which active duty Marines are more likely to reside. These districts receive Department of Education supplements of Impact Aid.

State	Expended	Rank (1-51)	Student/teacher ratio	Rank (1-51)
Georgia.....	\$3374	39	18.7/1	40
California.....	3728	40	22.9/1	50
Hawaii.....	3787	26	21.6/1	49
North Carolina.....	3129	41	18.2/1	35
South Carolina.....	3237	40	17.2/1	27
Louisiana.....	3069	44	18.5/1	38
Tennessee.....	2827	45	19.6/1	44
Section Six.....	3809			
DODDS.....	4325			

Other "quality indicators" (which are also tracked by the Department of Education) are high school graduation rates and average SAT scores. These data are as follows:

State	HS Grad (percent)	Rank (1-51)	SAT ²	Rank (1-22) ³
Georgia.....	62.0	47	848	19
California.....	66.1	42	908	4
Hawaii.....	70.8	33	888	15
North Carolina.....	67.8	¹ 37	841	20
South Carolina.....	66.9	40	838	22
Louisiana.....	60.1	49	n.a.	n.a.
Tennessee.....	67.8	¹ 37	n.a.	n.a.

¹ NC and TN tied for No. 37.

² National SAT average was 904.

³ Only 22 States report SAT score averages. The others use American College Test (ACT).

Analysis of the data allows the following conclusions:

- Of the 51 states (includes DC) ranked for expenditure, student/teacher ratio, and HS graduation rate none are above the median.
- Of the 22 states which report SAT scores all, except California, are at the bottom.
- Department of Education Impact Aid funds do not adequately meet the local need for improved service.
- In addition, the data do not account for local educational atmosphere, conduciveness to learning, open channels of communication, or support services.

The states that have large numbers of enlisted Marines' dependents are clustered in the lowest quartiles on all rankings. This does not mean that those states do not have excellent school districts as well as poor ones. The real "fact of life" is that enlisted Marines cannot afford to live in those districts where high real estate taxes support the district's schools. The current military pay scales do

not permit residence in the "better" local communities. Private schools are too expensive. Result—children of enlisted Marines attend the less advantaged local schools in less advantaged states. DODDS and S6S are viable alternatives. Unfortunately, sponsor rotations do not allow dependents the option of being schooled exclusively at DODDS or S6S.

In summary, the dependents of enlisted Marines receive educational services that are usually well below average.

Air Force answer. Major Air Force installations are located within 84 communities throughout the country. Air Force children receive identical educational programs at these locations as are offered to the children of the community student population at large. We believe that educational programming in these school districts meets the needs of Air Force dependents and that our students do compete well in these districts. We do not maintain achievement testing data on individual districts; however, we do monitor national testing trends for all states in standardized testing programs such as the Scholastic Aptitude Test (SAT) and the American College Testing (ACT) program. We believe our college bound children compete very well on these tests and are accepted into colleges and universities much at the same rate as their peers from the community.

Section Six schools were established to provide a free public education to those Federally connected children who have no acceptable alternative. Legislation requires Section Six schools to be comparable to those schools in the local area. The Air Force schools are fully accredited by the Southern Association of Colleges and Schools, the New England Association of Schools and Colleges, and the Middle States Association of Colleges and Schools respectively. A quality education is provided for those in Kindergarten through grade 12. Our schools are very strong academically and our dropout rate is non-existent.

Schools in the Department of Defense Dependent Schools (DODDS) system (overseas) provide a broad academic curriculum and are educationally successful. Scores for achievement testing in the basic skills areas of reading, mathematics, and language arts are significantly above the national average. DODDS offers quality educational opportunities comparable to the major school systems in the United States. DODDS students have been selected for such nationally prominent programs as the United States Senate Youth programs, and the Smithsonian Institution's Summer Intern program. The schools are fully accredited by the North Central Association of Colleges and Schools.

In summary, we believe that education provided the children of enlisted members and officers alike is excellent. Our children have few problems adjusting to new school settings caused by frequent moves and some of our students will have attended local, Section Six, and overseas schools during their school career. We receive very few complaints concerning the quality of public education from all sources.

[CLERK'S NOTE.—End of questions submitted for the record.]

TUESDAY, MARCH 27, 1990.

RECRUITING ISSUES

WITNESSES

MAJ. GEN. JACK C. WHEELER, U.S. ARMY, ARMY RECRUITING COMMAND
REAR ADM. HENRY C. McKINNEY, U.S. NAVY, COMMANDER, NAVY RECRUITING COMMAND

BRIG. GEN. GARY E. BROWN, U.S. MARINE CORPS, DIRECTOR OF PERSONNEL PROCUREMENT DIVISION, OFFICE OF THE DEPUTY CHIEF OF STAFF FOR MANPOWER AND RESERVE AFFAIRS, HEADQUARTERS, MARINE CORPS

BRIG. GEN. JOHN J. SALVADORE, U.S. AIR FORCE, AIR FORCE RECRUITING SERVICES

INTRODUCTION

Mr. MURTHA. The Committee will come to order.

This morning, we will hear testimony from the Services concerning their recruiting policies. This Committee is particularly interested in the policies that affect the recruiters in accomplishing their missions and their quality of life.

The Committee welcomes the Commanders of the Army, Navy and the Air Force Recruiting Commands and the Marine Corps Director of Personnel Procurement. Admiral Henry C. McKinney, General Jack C. Wheeler, General Gary E. Brown and General John J. Salvatore, welcome.

If you remember last year we took an interest in recruiting because of what happened in Pittsburgh, and what we had heard was happening throughout the country.

As a matter of fact, I visited the Philadelphia Recruiting Station myself and I sent the staff out to a number of different recruiting stations to see what the situation was. We asked you to send us a report and you have and I was just getting an explanation of what has been happening.

General Wheeler, if you will, summarize your statement. We will put all the statements in the record. Please proceed General.

SUMMARY STATEMENT OF GENERAL WHEELER

General WHEELER. Mr. Chairman, I welcome the opportunity to appear before your committee today.

As you indicated, sir, during your session last year, you asked us to look at our procedures and policies with respect to recruiting improprieties and the quality of life of our recruiters and their families. In response to your request, I will make brief opening remarks before submitting the statement for the record.

We in the Army took a very introspective look based on your guidance. We looked at the entire recruiting process. As a result of

this review, we found that changes in the recruiting process and preparation of leaders were needed to simplify the process, save time, and better care for our recruiters.

First, we needed to improve our training programs. We made significant changes to our instruction and required field commanders to improve their training for new recruiters.

Second, we found that a complete overhaul of our formal training was required, and this has been done.

Third, we found that we needed to be more attentive to family members and their problems, many of which are based on economic factors.

In a variety of ways, including direct meetings with recruiters and their families, we have improved our lines of communication. This communication is being done at the local level and command-wide. We asked family members to tell us what they needed and they did. In response to their suggestions, we have developed booklets, regionally focused, that tell family members what they can expect and where to go for help. These booklets greatly eased the adjustment into the local community. We are hosting a command-wide Army Family Action Symposium to solve other family concerns raised. It is scheduled for May 5 through 10, 1990.

Fourth, we discovered that the recruiting missioning process and marketing techniques, developed using mathematical processes, left out the human factor. We modified them last summer and implemented them in the first quarter fiscal year 1990. The results have been very positive.

Further, we found real and perceived stress at the local recruiter level, some of which can be attributed to the missioning process. To rectify this, we initiated a missioning by station test, similar to the Navy program, during first quarter fiscal year 1990. Based on emerging results, which have been very promising, we will expand the test to all five recruiting brigades before the end of this fiscal year. Stress has also been reduced through the dedicated efforts of our commanders to knock down barriers that our recruiters face, by working more closely with educators and other prominent community members.

Mr. Chairman, I must thank you and the rest of this committee for the authority to test a two plus two plus four option that you gave us last July 1989. This alone reduced stress and, of equal import, provided a significant psychological boost to our entire recruiting force. This command, the Army recruiting command, has the ability and the commitment to recruit the best Army possible for the decade of the nineties and to take care of our recruiters and their families with absolute integrity.

Thank you, Mr. Chairman.

[The statement of General Wheeler follows:]

MAJOR GENERAL JACK COX WHEELER

Major General Jack Cox Wheeler was born in Canton, Georgia, on February 2, 1939. Upon completion of the Reserve Officers Training Corps curriculum and graduation from North Georgia College in 1961, he was commissioned a second lieutenant and awarded a Bachelor of Arts degree in history. He holds a Master of Arts degree in Public Administration from Shippensburg State University, and has completed the program for Senior Managers in Government, John F. Kennedy School of Government, Harvard University.

His military education includes completion of the Adjutant General Officers Basic and Advanced Courses, the United States Army Command and General Staff College, and the United States Army War College.

General Wheeler assumed command of the U. S. Army Recruiting Command on June 1, 1989. Prior to assuming that command, he served as the Deputy Commanding General (West), U. S. Army Recruiting Command.

He has held a variety of other key assignments as Director of Enlisted Personnel Management Directorate, Total Army Personnel Agency; Commander, 8th Personnel Command and Adjutant General, United States Forces Korea, Eighth United States Army; Chief of Enlisted Structure and Sustainment, and Chief of the Enlisted Personnel Management Division, Office of the Deputy Chief of Staff for Personnel, United States Army, Washington, D.C.

His career includes service as a personnel staff officer in the Procurement and Distribution Directorate, later the Military Personnel Management Directorate of the Office of the Deputy Chief of Staff for Personnel, United States Army. He also served as assistant to the Director of the Army Staff for Staff Action Control. General Wheeler was assigned to Europe as Adjutant General of the 1st Armored Division. His career also includes service in Vietnam with MACV as Commander, MACV Replacement Detachment and Chief, Officer Assignments.

General Wheeler's awards and decorations include the Distinguished Service Medal, the Legion of Merit (three Oak Leaf Clusters), the Bronze Star Medal, the Meritorious Service Medal (with two Oak Leaf Clusters), the Joint Service Commendation Medal and the Army Commendation Medal. He also wears the Army General Staff Identification Badge.

General Wheeler is married to the former Marjorie (Margie) Gunn, and they have two children, Leigh Ann and Alan.

STATEMENT OF
MAJOR GENERAL JACK C. WHEELER
COMMANDER, UNITED STATES ARMY
RECRUITING COMMAND

Mr. Chairman and Members of the Committee:

During the FY90 Budget Review Process, the House Appropriations Committee (HAC) members expressed concern about the number of recruiting improprieties in recent years. All services were asked to conduct a thorough review of their policies regarding recruiting improprieties and quality of life and to report out during testimony in the spring of 1990.

In response to the Committee's request, I submit this statement for the record.

A comprehensive review of the enlistment process and related functional areas has been completed. Our primary objectives were to improve the recruiting enlistment process, reduce stress and enhance the quality of life of the recruiting force while simultaneously providing the Army and the Nation the best possible applicants for service. Areas needing improvement were identified and unnecessary requirements were eliminated. I will refer to some of these improvements during my statement.

To ensure that the distinguished members of this Committee fully understand the recruiting process, I will explain how soldiers are selected and trained for recruiting duty and how they are assigned their individual missions. I will also discuss those programs we are currently pursuing to enhance the quality of life of our recruiters and their families.

Noncommissioned officers (NCOs) assigned to recruiting duty represent the Army in the community in which they live and work. The actions and activities of recruiters and their families are often perceived as representative of the Army and the Army community. For these reasons, the records of all soldiers being considered for recruiting duty are screened at Headquarters, Department of the Army (HQDA) to ensure they meet the Army selection standards. Soldiers who have not been successful in the Army or who have family or financial problems are not selected.

NCOs are assigned to recruiting duty either by volunteering or by DA selection. Presently, volunteers account for 13 percent of the total recruiting force. Each soldier assigned to recruiting duty receives 6 weeks comprehensive training at the U. S. Army Recruiting and Retention School at Fort Benjamin Harrison, Indiana. Recruiters are taught the principles of attracting young men and women for Army service and the procedures for qualifying an applicant for enlistment. Role playing and practical exercises are an integral part of the curriculum. This program was recently expanded to provide additional training and instruction on coping with rejection to sales presentations. NCOs who do not demonstrate the necessary attributes and motivation to become successful recruiters are evaluated by an academic board. They can be reassigned without prejudice to their former Military Occupational Specialties (MOS).

After graduation, recruiters are assigned to recruiting battalions and specific recruiting stations where they begin the Transitional Training and Evaluation (TT&E) Program. This 9 month program continues to develop their recruiting skills. The station commander is their primary trainer and is assisted by the company recruiter training noncommissioned officer (RTNC), the recruiting company first sergeant and by other recruiters in the station. Upon completion of the TT&E program, the battalion commander decides whether new recruiters should be placed on full recruiting status or reassigned without prejudice to their former MOS, due to lack of skills or inability to recruit.

A similar process is used to ensure that only highly qualified commissioned officers are selected to command recruiting brigades, battalions and companies. These commanders are proven, experienced officers who have passed rigorous selection criteria. In fact over

50 percent of the recruiting battalion commanders are former successful battalion commanders and are extremely competitive for promotion to colonel and selection for senior service schools. Recruiting company commanders are former successful company commanders with proven leadership abilities and promotion potential. This emphasis on quality is necessary as these officers are responsible for leading recruiters far removed from the normal Army environment. They represent the Army in public and private sections. Additionally, they manage thousands of dollars worth of geographically dispersed resources necessary to accomplish their missions.

All our leaders are trained in the technical aspects of recruiting. Recognizing the importance of such training, a comprehensive General Officer review of current instructional and sustainment training courses was completed in January 1990. Several areas of improvement were identified. For example, we found that our leader courses for station commanders, First Sergeants and Company Commanders did not include enough training on leading and taking care of recruiters. We now stress this in our courses, for unhappy soldiers are ineffective recruiters. We also discovered that the Station Commander and First Sergeant Courses needed more "hands on" practical exercises to improve their ability to train their own subordinates in sales presentations. One of our most innovative improvements was to lengthen the Company Commander Course by 1 week to allow the Company Commander and the First Sergeant to actually work together as a team. By letting them work together first in an academic environment, we think we can improve their performance as a team in the field. Finally, we discovered that we needed to update our sustainment training in the field. We have purchased new audiovisual materials to improve our sustainment training at station or company level. Better training will help recruiters become more productive.

One of the attributes of leadership is caring for subordinates. Leaders at all levels share this responsibility. We check in several ways to ensure that our leaders look after the welfare of their subordinates. Our Inspector General conducts sensing sessions with recruiters and their spouses as part of their inspection process. We hold Quality of Life conferences throughout the command, to which spouses are invited. Recruiters are encouraged to use their chain of command and can use a well-publicized "Hot Line" telephone number to my headquarters to make complaints or seek assistance. Quality of Life Assessment visits are made to assist commanders in evaluating their command climate. Finally, many commanders, like myself, have an "Open Door" policy for recruiters to meet with them about problems that cannot be resolved at lower levels.

Not every leader is successful. Leaders who were successful elsewhere may not be successful in recruiting because of its complex, unique requirements. New leaders are given a reasonable opportunity to learn and succeed. If, despite training and counseling, they are still deficient in basic attributes, such as caring for subordinates, they are reassigned from recruiting. Uncaring leadership is unacceptable and is not tolerated.

In order to be successful, recruiters and leaders must use their time wisely. We have developed several systems to help them. The first is the Production Management System, which helps recruiters determine the number of appointments they should conduct each week. This is based on each recruiter's production statistics and projects the number of applicants who must be tested to achieve one contract. The system is designed to help recruiters use their time wisely by distributing their work more evenly during the month.

Another helpful system is Lead Source Analysis. Lead sources are generated by telephone calls, face-to-face prospecting, referrals, and walk-in/call-in applicants. The productiveness of these sources varies widely depending on local market factors. By helping recruiters keep track of their lead sources, they can invest time developing leads that will more likely be productive.

I have briefly discussed how recruiters are selected and trained. I will now explain how recruiters are assigned their missions.

Once the accession mission for Regular Army and the Army Reserve is determined by HQDA, the Recruiting Command develops a contract mission for the recruiting force to meet these requirements. The accession mission for Fiscal Year 1990 was 119,000 recruits. This mission was reduced in December 1989 to 97,400 and the contract mission was set at 104,500. The difference between the accession mission and contract mission allows for the creation of a pool of Delayed Entry Program (DEP) candidates for future enlistment. For 5 of the last 6 years, the Recruiting Command has actually contracted fewer than the RA accession requirement, drawing down the DEP pool in the process. For Army Reserve, Officer Candidate School and Warrant Officer Flight Training missions, the Recruiting Command contracts only what is actually required.

After calculating the command's contract mission, the mission is divided into quarterly brigade shares. Proposed shares for each battalion are based on a sophisticated analysis of each battalion's market. Forty-five days before each quarter, Battalion Mission Adjudication Conferences are conducted. I weigh the command's proposal for each battalion against individual battalion commander proposals for their respective battalions. This is the battalion commander's opportunity to discuss specific concerns that may not have been included in the command proposal for their battalion. I then assign the battalion commander a contract mission for the quarter.

Once battalion missions are assigned, brigade commanders adjudicate and assign company missions, battalion commanders assign station missions, and company commanders assign recruiter missions. This process serves two fundamental purposes:

- (1) Two levels of command are always involved in deciding whether missions are fair and achievable; and
- (2) The risk of overlooking significant variables is reduced due to the active involvement of two levels of command.

Individual recruiter shares of the battalion mission vary according to locality, enlistment propensity and geographical location. Within an individual station, every effort is made to ensure that each recruiter's share is equal. To ensure these shares are equalized, each battalion conducts an annual Recruiter Zone Analysis (RZA). The RZA considers recruiting market potential, historical production and market factors such as population distribution, station location, trade flow and traffic patterns. This process ensures that every recruiter in a given area has an equitable share of that area's market and an equal chance to succeed. It also develops information about market areas that helps the command reallocate recruiters between brigades, battalions and subordinate units as markets change.

A national market analysis was conducted by the Recruiting Command as part of its comprehensive review of the enlistment process. This analysis projected population trends through 1994 for the entire country at a three digit zip code level. This will help the command position its recruiters to fit changing markets. Recruiter strength will be adjusted to correspond to projected changes in population.

Despite these programs, training, and procedures, not every NCO will be a successful recruiter. A system for returning ineffective new recruiters to the mainstream Army is already in place. After adequate assistance, training, supervision and counseling has failed to correct the inadequacies, these NCOs are reassigned to their former military specialties. They do not receive adverse evaluation reports, and their reassignment under this program is not prejudicial to future Army assignments or promotions.

Recruiters are supported in their efforts to contact high quality enlistment-eligible young Americans by an intensive advertising campaign. After recruiters, television is the most powerful tool we have to attract young people. Last year, 40 percent of the new recruits surveyed identified television advertising as the most important influence in their decision to talk to a recruiter. Magazines were deemed important by 30 percent of the new recruits, while 22 percent chose radio as their primary reason for seeking additional information. The remaining percentages are divided among information received after mailing a post card or calling our toll free number and direct mail literature. Additionally, recruiters influence placement of local advertising by participating in battalion-level marketing communication councils. Recruiter distributed advertising, such as posters and "take one" folders, give each station a tool for generating local contact opportunities. These local efforts allow recruiters to capitalize on significant local situations or events that can be tied to specific Army needs.

Additional contact opportunities for recruiters are generated by one of the country's largest direct mail campaigns. Every year, this effort gives recruiters the names of more than 500,000 young men and women seeking additional information regarding Army programs. A significant number of the Army's high quality enlistees indicate that they responded to one of these direct mail pieces.

Promotional events such as the Scholar/Athlete Award, parachute jumps by the "Golden Knights," and appearances by soldiers demonstrating high-tech skills, give recruiters opportunities to benefit from local publicity generated by these activities. Last year, General Officers in the United States were asked to help the field recruiting force by making the general population aware of the superb opportunities and options available to young people. Leaders throughout the Army were encouraged to permit their soldiers of the month, quarter, and the year to assist the recruiting effort by serving as role models in high schools and other visible areas while home on leave. The support provided by other Army leaders has been extremely helpful.

Our advertising program and enlistment incentives are influenced by market research that tracks attitudes of young people to possible military service. For example, the Youth Attitude Tracking Survey polls 16 to 21 year-old males. The most recent survey indicates that about only 1 in 6 (17%) have a positive propensity to enlist in the Army. The New Recruit Survey, which is given several times a year to new enlistees, continues to indicate the importance of our enlistment incentives and options to our ability to attract high quality applicants.

Several enlistment incentive programs have been developed including the Army College Fund, the Montgomery G.I. Bill, the Loan Repayment Program, and the Enlistment Bonus Program. They provide applicants a wide range of incentives from which to select. The Army College Fund provides money for college to qualified applicants enlisting in specific MOS. The Montgomery G.I. Bill, a participatory program, provides applicants up to \$10,800 for

college or vocational training upon completion of their term of enlistment. The Loan Repayment Program assists applicants in the repayment of Guaranteed Student Loan debts. The Enlistment Bonus Program provides cash bonuses for enlistment in selected MOS for specified periods of time. Our research shows that money for college continues to be the most important reason for enlisting in selected MOS. More than 40 percent of the Army College Fund takers said they would not have enlisted without this option. Surveys show that more than 60 percent of new 2-year enlistees would not have enlisted if the 2-year term had not been available. For several years, we have offered this in the Combat Arms MOS, but thanks to your approval of the "2+2+4 Test" -- 2 years active duty, 2 years Reserve duty, and 4 years in the Individual Ready Reserve -- we have been able to attract top quality people who otherwise would not have enlisted. Through February 1990, over 3600 men and women enlisted under this program. Your support for enlistment incentives such as this helps recruiters by giving them programs that help sell themselves.

Advertising and enlistment incentives are only part of the support given to recruiters to help them be successful. Recruiters are also supported by good facilities and equipment. Recruiting stations are located in prime market areas. Government vehicles are assigned to each station for recruiters to use during appointments and to transport applicants. Each recruiting station is equipped with at least one Joint Optical Information Network (JOIN) system. This multidimensional, automated system combines microcomputers with laser videodisc technology. The JOIN system helps recruiters establish better rapport with applicants by using videodiscs to show typical, realistic functions of individual military specialties. This helps applicants make informed decisions. The JOIN system assists recruiters in prescreening applicants and preparing automated processing documents. It also serves an important training role. Periodically, recruiters take proficiency tests on the JOIN system to refresh their technical knowledge of recruiting. Good equipment helps recruiters do their job better.

Recruiters do not have to cheat to make mission. While the number of allegations has increased, most investigations are unsubstantiated. During FY 89, 60 percent of the 2039 investigations were closed as unsubstantiated. Only 18 percent were substantiated, and the balance involved simple errors.

The number of substantiated cases may be misleading because the services do not have uniform definitions of recruiting improprieties. The Army's definition includes both willful misconduct and mistakes resulting from gross negligence. Until recently, we included processing errors even if an erroneous enlistment did not result. Our system of internal checks and balances and requiring recruiters to report known or suspected improprieties naturally swelled the number of allegations. In FY 89, 85 percent of all allegations were reported internally.

Our definition of recruiting improprieties may have contributed to the perception by some recruiters on the DOD survey that pressure causes recruiting improprieties. Their perception results from great numbers of applicants being processed at the end of the month. Hurried processing creates more opportunities for mistakes. Since we have traditionally considered mistakes to be possible recruiting improprieties, some recruiters may have misunderstood the true import of the DOD questionnaire. What every Army recruiter knows is that their standard is to make mission -- with integrity.

The number of serious allegations has declined markedly during the past several years. Since deliberate cheating usually results

in involuntary relief and reassignment from recruiting duty, the decline in reliefs illustrates the decline in serious, willful improprieties, while during FY 88 and FY 89, this number declined to 118 and 80, respectively. In any organization, some people will unfortunately succumb to temptation. Our decline in the number of serious cases is due in large part to our internal inspection program and the many opportunities applicants are given to report questionable practices by their recruiters.

While our statistics suggest that many recruiters were disciplined for recruiting improprieties, most of these actions were corrective rather than disciplinary in nature. In cases where recruiters make honest mistakes resulting from simple or gross negligence, relief or other significant adverse action may be too harsh. In such cases, recruiters usually receive written reprimands which do not become part of their permanent records. In FY 88, 387 recruiters received written reprimands from various members of the chain of command. These reprimands serve a constructive purpose by helping recruiters identify their mistakes and cautioning them to be more careful in the future.

The Recruiting Command is committed to detecting and deterring recruiting improprieties, and we are fully capable of policing ourselves. Since 1987, each recruiting battalion has been inspected annually by our Enlistment Standards Directorate. In addition to reviewing enlistment documents to detect any improper recruiting practices, inspection teams provide on-the-spot training for recruiting personnel. Because questionable situations are treated as possible recruiting improprieties, this system of on-site inspections also contributed to the increase in the number of recruiting impropriety allegations during FY 88 and FY 89.

Each alleged or suspected recruiting impropriety is investigated fully and fairly by commissioned officers assigned to the Recruiting Command, who are trained and experienced in the recruiting process. We are sensitive to the competing interests of applicants, recruiters and the Army. The due process rights of recruiters are fully protected, and every effort is made to conduct thorough investigations in a timely manner. Substantiated cases are forwarded through the chain of command to the Commanding General for decision to ensure that investigations are complete, fairly adjudicated, and are decided according to a uniform standard. Our centralized system is unique among the services. Only recently have subordinate commanders been given limited authority to close unfounded commander's inquiries into suspected improprieties. Their authority is limited to only those cases in which there is no evidence of a recruiting impropriety. Our policy of reporting and investigating all alleged or suspected improprieties is designed to protect recruiters from unfounded allegations, guard against fraudulent or erroneous enlistments, and promote public confidence in the integrity of our recruiters.

We are very much aware of the unique pressures and problems associated with recruiting duty. Recruiting is -- as the Committee has recognized -- hard and demanding duty. Taking care of soldiers and their families is an obligation that all leaders share. This is especially true in this command because of the unique conditions associated with recruiting duty. Recruiters and their families are frequently relocated to a civilian community, far removed from the military atmosphere to which they are accustomed and are sometimes the only military family in the area. They often incur additional housing, medical and living expenses. The absence of traditional military support groups contributes to feelings of isolation experienced by some recruiters and their families. Developing lines of communication is an important means of letting recruiters and their families know that their leaders care about them.

Quality of Life conferences are one way of developing these communication lines. Our commandwide and four brigade-level conferences were conducted during the past year. The FY90 commandwide conference is scheduled for 5-10 May 1990. These conferences are attended by recruiters, family members and staff personnel. Several of the suggestions which surfaced have already been implemented, some are still under consideration, and ten were forwarded to HQDA for discussion at the 1989 Army Family Action Plan Planning Conference.

Another method of developing communication is through the use of welcome packets. In November 1989, recruiters began receiving battalion welcome packets at the Army Recruiting Course. These packets provide information about the battalion, recreation facilities, nearby military installations, medical care and local housing. Their spouses also started receiving packets in February 1990. These packets provide information about recruiting duty and "how to survive" away from a military installation.

The command's Inspector General (IG) is an important conduit for communication. Since June 1989, the IG has conducted Spouse Forums during each battalion inspection. These forums provide spouses the opportunity to express their concerns about a variety of topics and give leaders important information about the morale of recruiters and their families.

Another method of improving communication implemented by the command was through the expansion of the Quality of Life Assessment Visit Program from two battalion visits per quarter to six per quarter. This program assists commanders in identifying potential areas of concern and assesses the overall climate of their command. It also serves as a vehicle for conveying information from the battalion leadership team to recruiters and their families and vice versa.

Improved communication helps reduce stress. Other methods for combating stress include education, physical conditioning, and proper diet. Each battalion is developing a health risks assessment program. This program will provide recruiters and family members with information on numerous health subjects. These subjects include stress management, alcohol/substance abuse, tobacco cessation, spiritual wellness, oral hygiene, hypertension management and nutrition.

Proper physical fitness is a proven method for reducing stress. Physical Fitness Extension Services, implemented during October 1989, allow battalion commanders to purchase low cost recruiting station memberships to commercial fitness facilities such as gymnasiums, running tracks, and recreation or community centers, for use by all recruiters in the station. This provides recruiters with the opportunity to maintain and improve their physical conditioning. These services may be purchased only when military, federal or free community fitness facilities are not reasonably available.

To reduce individual recruiter stress, a test program was begun in two battalions during the first quarter of FY90. Two more battalions were added later. This test involves using a station mission instead of individual missions. It will be expanded to one battalion in each of the remaining brigades during 3d quarter, FY90. If this test is successful, it will be extended throughout the command in FY91.

Recruiters and their families often experience stress when moving. To help reduce such stress, the Recruiting Command purchased a Military Loaner Kit for each recruiting company. The kit contains basic houseware items needed to set up house while awaiting shipment of household goods. This reduces many out-of-pocket expenses incurred during moving.

Recruiters can influence their assignments. New recruiters complete a preference sheet at the Army Recruiting Course listing their battalions of preference. These preferences are then compared to the requirements of the command. Whenever possible, recruiters are given one of their choices.

Detailed recruiters who convert to the professional cadre recruiter, MOS 00R, are given their assignment of choice upon completion of 4 years Time on Station. This program, implemented 1 March 1989, is designed to encourage detailed recruiters to convert and provides them the opportunity to choose their next duty station.

For those detailed recruiters who decide not to convert to MOS 00R, the Detailed Recruiter Assignment Preference Program, established on 25 January 1989, affords them an opportunity to select a station of choice upon completing their tour of duty with the Recruiting Command.

Efforts to enhance the promotion opportunities of our recruiters resulted in the Recruiting Command being given the authorization to meritoriously promote deserving sergeants and staff sergeants to the rank of staff sergeant and sergeant first class, respectively. The effective dates of implementation were 28 October 1988 for Regular Army and 3 November 1989 for Active Guard/Reserve recruiters.

To keep recruiters competitive for promotion, a program was implemented in April 1989 which allows recruiters to participate in skill training courses that are 21 days or less in duration. These courses include Airborne, Air Assault, and Master Fitness Trainer training.

Recruiters also earn promotion points for awards. From 1 October 1989 through 31 January 1990, recruiters were awarded a total of 1507 Meritorious Service Medals, Army Commendation Medals and Army Achievement Medals. This represents an increase of 14 percent over the previous year, during which 1326 medals were presented. In addition, recruiter incentive awards (Gold Stars, Gold Badges, Sapphire Stars and Recruiter Kings) were up from 2828 to 3128, in comparison with the same period last year, representing an 11 percent increase.

In conclusion, the Recruiting Command is fully aware of the challenges facing our recruiters and their families as we head into the decade of the nineties. Since assuming command in June 1989, the quality of life of recruiters and their families has been one of my top priorities. This will continue, for there is much to do. I am committed to searching for new and innovative methods to assist recruiters in the achievement of their mission of enlisting the finest young men and women into the United States Army. The challenge I have given my leaders and staff is to develop the means to "work smarter and not harder." With the continued support of Congress -- in the form of funding for current and proposed incentives, initiatives, and programs -- the decade of the nineties will surely be one that is earmarked by success in terms of mission accomplishment and significant improvement in the quality of life experienced by recruiters and their families.

Mr. MURTHA. Admiral McKinney?

SUMMARY STATEMENT OF ADMIRAL MCKINNEY

Admiral MCKINNEY. Thank you, Mr. Chairman.

Mr. Chairman, it is a pleasure to be here today to represent Navy recruiting.

You have expressed concern regarding recruiting improprieties that may have been the result of undue pressure placed upon recruiters to meet recruiting goals. I share your concern and have placed a great deal of emphasis on changing policies and procedures in Navy recruiting to reduce undue pressure.

To be frank, however, I must tell you that I did not approach this issue because of any concern for improprieties in Navy recruiting, but rather, I have been changing policies in an effort to improve the overall quality of life and morale of Navy recruiters.

To explain that point, I need to tell you that I assumed command in April 1988. It was my first time in recruiting. I was confronted with an organization I considered to be suffering from low morale, dispirited recruiters, and, as we moved into the summer of 1988, repeated instances of failures to meet our monthly recruiting goals.

Recruiting was undermanned and we were having a great deal of difficulty in attracting quality volunteers from the fleet because of the poor reputation of recruiting—hard work with no rewards and the risk of poor evaluations if you didn't perform. The Navy's image was also suffering, due to extended deployments and various incidents at sea. We had no radio or television advertising, and limited magazine and newspaper advertising. In short, we were failing, and I needed to take prompt action to turn things around. My first consideration was the morale and welfare of the recruiter.

As a result of my own observations and a detailed recruiter survey, I was able to identify the major problems—simply put: unreasonable working hours, lack of leadership and training by middle management, and an incentive system that prevented teamwork and rewarded only a few recruiters lucky enough to be in the right market. My first step was to establish reasonable working hours and a five day work week. Experienced recruiters were sure that this approach would only lead to larger misses in recruiting goals—and at first we did see a decline. But I was sure that the American sailor would respond to positive incentives and not to threats of increased working hours.

I then worked to eliminate or revise the onerous production tracking systems used in recruiting, and I also developed incentive systems that placed the emphasis on teamwork. Rather than goaling individual recruiters, we established station goals that encourage teamwork by all the recruiters within a recruiting station. I also emphasize teamwork at the district level where overproduction is rewarded by allowing each District Commanding Officer to select and meritoriously promote recruiters—the number dependent upon the degree of overproduction.

Emphasizing training, teamwork, and tenacity, Navy recruiting has finally turned the corner and we have made our recruiting goals for the last five months in a row. We are gaining back on the

10,000 loss that we experienced in our Delayed Entry Program Pool over the last 18 months.

Morale in recruiting has markedly improved. Today, over 90 percent of the personnel reporting to recruiting are volunteers. Station working hours have decreased dramatically. Our overall production, both in quantity and quality, has made significant gains.

Although it is still too early to evaluate, I cannot help but believe that our already very low recruiter malpractice rate will drop even lower.

Mr. Chairman, Navy recruiting has made significant strides in eliminating undue pressures on recruiters. I must emphasize, however, that the very nature of recruiting places pressure on recruiters to meet the goal. My approach has been to build teamwork among recruiters to meet the goal and to use awards and positive recognition rather than threatening individual recruiters who fail. In this manner, we have eliminated the conditions which lead to recruiter malpractice.

Thank you, sir.

[The statement of Admiral McKinney follows:]

**REAR ADMIRAL HENRY C. MCKINNEY
UNITED STATES NAVY
COMMANDER, NAVY RECRUITING COMMAND**

Rear Admiral Henry C. McKinney grew up in La Grange, Illinois, graduating from Lyons Township High School. He entered Princeton University as a member of the Naval ROTC program, graduating in 1959 with a degree in Engineering and a commission as an Ensign in the United States Navy.

Following commissioning, Admiral McKinney reported to the destroyer USS WEDDERBURN (DD 684) where he served as Main Propulsion Assistant and then Chief Engineer. In February 1962 he began post graduate study, first at the Naval Post Graduate School, Monterey, California where he studied Operations Analysis and then at Stanford University, Palo Alto, California, where he earned a Masters of Science degree in Statistics.

In August 1964, Admiral McKinney commenced nuclear power and submarine training at the Naval Nuclear Power School in Vallejo, California, followed by additional training at the Naval Nuclear Power Training Unit, Schenectady, New York, and the Naval Submarine School, Groton, Connecticut.

In March 1966, Admiral McKinney reported to the nuclear-powered attack submarine USS SHARK (SSN 591) where he qualified as a submariner and served as Operations Officer and Navigator. During his tour, SHARK was awarded the Navy Unit Commendation. His next assignment was as Director of the Officer Department at the Naval Nuclear Power School, Bainbridge, Maryland, from September 1968 to April 1971.

Following training in April and May 1971 at the Naval Guided Missile School, Dam Neck, Virginia, Admiral McKinney served as Executive Officer of the Blue Crew of the nuclear-powered ballistic missile submarine USS DANIEL WEBSTER (SSBN 626). In January 1973, he reported to the Bureau of Naval Personnel, Washington, D.C. where he served as the Nuclear Power Personnel Manager for enlisted programs.

Admiral McKinney assumed command of the nuclear-powered attack submarine USS SEAHORSE (SSN 669) at La Maddalena, Sardinia, in January 1977 while the ship was deployed to the Mediterranean. Under his command, SEAHORSE earned a Meritorious Unit Commendation in the spring of 1980. Following command of SEAHORSE, Admiral McKinney returned to Washington, D.C. in June 1980 and served as the Executive Assistant and Senior Naval Aide to the Deputy Chief of Naval Operations for Submarine Warfare.

In December 1982, Admiral McKinney returned to Italy and assumed command of the Submarine Refit Training Group in La Maddalena. This group was redesignated as Submarine Squadron TWENTY-TWO which he commanded until May 1984. The following month, he reported to the Naval Military Personnel Command, Washington, D.C., where he served as Director, Submarine/Nuclear Power Division and as the Nuclear Power Program Manager.

After selection to flag rank Admiral McKinney returned to Italy in March 1986, and reported as the Assistant Chief of Staff for Logistics on the staff of Commander in Chief, Allied Forces Southern Europe in Naples, Italy. He served in that assignment until reporting to Navy Recruiting Command in April 1988.

Admiral McKinney's personal awards include the Defense Superior Service Medal, the Legion of Merit with two gold stars in lieu of subsequent awards, the Meritorious Service Medal with two gold stars, and the Navy Achievement Medal.

He is married to the former Mary Phinney of Cincinnati, Ohio. Admiral and Mrs. McKinney have two children, William, who is attending the Naval Academy, and Elizabeth, a high school student.

PREPARED STATEMENT OF
RADM HENRY C. MCKINNEY
COMMANDER, NAVY RECRUITING COMMAND

Mr. Chairman and distinguished members of the Subcommittee, it is both my privilege and pleasure to appear before you in my capacity as Commander, Navy Recruiting Command; to tell you what actions we have taken to relieve the stress involved in recruiting, to enhance the Quality of Life of our recruiters, and to reduce the number of recruiter malpractice cases. I would like to start by first telling you about Navy Recruiting, the state it was in when I assumed command, the studies that have been done to evaluate the environment both internal and external affecting Navy recruiters, and what has been done as a result of these studies.

When I assumed command in the spring of 1988, I did so as someone brand new to recruiting duty. By way of background, Navy Recruiting Command is made up of a headquarters staff in Arlington, Virginia; the Navy Recruiting Orientation Unit (NORU) recruiting school in Orlando, Florida; six Area Commands around the country; and 41 District Commands. Each District is then subdivided into Zones, with each Zone containing between four to eight Recruiting Stations. There are almost 1600 Recruiting Stations operating throughout the country, manned by approximately 4700 production recruiters. In addition, there are about 600 members of the Career Recruiting Force who function in supervisory and training roles, and about 1800 support personnel in the field located at district command headquarters and Military Entrance Processing Stations. The mission of each of those individuals has been focused on the goal of bringing in the sailors of tomorrow, about 90 to 95,000 people a year.

The first thing I did as a new Commander was to set out to meet as many of the field recruiters as possible throughout the country. I found out that many difficult conditions existed in recruiting. Recruiting duty is considered shore duty for Navy personnel, a time for family togetherness and a relief from the arduous demands of sea duty. Rather than sailors enjoying some of the benefits of shore duty, I found out that recruiting involved very long working hours. Recruiters were often working late into the night, on weekends and even on holidays. Some offices had their staffs coming in early in the morning to make calls before students left for school and then had them staying late to try again in the evenings. Many recruiters told me that they would terminate their shore duty tour early and return to sea duty if the Navy would let them.

The requirements imposed on these sailors by goals, their seniors and their families can quickly add up to more than most individuals can handle. Keep in mind that in order to be sent to recruiting in the first place these sailors had proven themselves in demanding assignments at sea and were experienced senior petty officers and chief petty officers. They were self-motivated individuals who wanted to succeed, but had found themselves

in situations where they could not. Their morale was low and they were afraid of retribution if they did not make goal. This stress was leading to failures, substandard performance transfers, marital tension at home, stress related illnesses and, in some cases, to people breaking the rules to get by. Over the last decade, Navy recruiting had evolved into a highly stressful situation that could lead to increased recruiting malpractice.

Overzealous efforts to meet recruiting goals were creating a dispirited group of recruiters who were no longer positively motivated to sell the Navy. Many were missing goal and the Delayed Entry Program (DEP) pool was declining as was the quality of the individuals we were recruiting. Navy recruiting was seriously under funded with no money available for television advertising. We were suffering from a lack of image among American youth and media coverage of negative incidents involving the Navy was making matters worse. It was obvious that the Navy had relied on the "can do" attitude of the American sailor, but if we continued asking more and more of the recruiters in our pursuit of goal, we would lose their motivation and commitment through fatigue and despair.

I soon realized that I had to turn this around quickly. As a first step, in September 1988 I promulgated guidelines to all commanding officers that set specific station working hours (9 a.m. to 6 p.m.). In addition, I established the philosophy that a recruiter should expect to work a 5-day work week. If it is necessary to work on Saturday to support recruiting objectives, then some compensatory time off should be given during the following week. Recruiters should not normally be expected to work on Sundays or holidays, unless it is in support of patriotic events or Navy awareness functions such as Blue Angels' air shows. I also directed that recruiters should not be denied a reasonable request for leave and that leave periods should normally be for two weeks, with no more than 10 percent of the recruiters on leave at one time.

It was obvious to me that I would need additional assistance in studying and reviewing the conditions within recruiting. The first source of assistance was an inspection by the Navy's Inspector General in the summer of 1988. He noted with concern "the overriding emphasis within NAVCRUITCOM on meeting goal every 30 days which often resulted in inadequate command focus on human requirements and their families." I agreed with this assessment and had already taken steps to focus the leadership on this problem.

The next source was a very thorough independent study by the Human Resources Research Organization (HumRRO) that was contracted by the Navy in the fall of 1988. That study provided many valuable recommendations including suggestions for reorganizing, for studying the availability of resources, and for reviewing the incentive programs. The results of this study were then used by an independent study requested by the Chief of Naval Personnel in early 1989 that was led by retired VADM Joseph Metcalf.

I requested a Recruiter Survey as part of the Metcalf Study. In this survey we asked recruiters to tell us what their areas of concerns were, what they considered the top issues and, specifically, we asked them to provide a written response regarding their quality of life in recruiting. Over 3200 responses were returned equating to an impressive 93 percent response rate. These individual recruiter responses confirmed the results of the earlier studies and inspections.

Some of the key concerns expressed by the recruiters in the survey were that they had a poor quality of work-life, little time for families and an excessive work week. They felt recruiting duty made it harder to stay current with their personal professional ratings, and they were not sure what long term impact this tour might have on their careers. Often mentioned was the lack of material support, such as inadequate advertising, and that the job stress throughout recruiting had an adverse impact on their families and was more than that experienced on other Navy jobs. Another concern was that they were not provided with stress management training to help them handle what they were facing as part of this tour.

As part of the survey, over 60 percent of those who responded to the survey provided the written responses we requested. I personally read each of these 2000 responses. I was deeply moved by what I read. I was not surprised to hear about the long hours and frustration or the pressures inherent with recruiting. I expected to hear that based on my personal interviews, but I was not ready for the deep despair so obviously felt by many. They felt they were in impossible situations and their careers in the Navy were in jeopardy due to their time in recruiting. Their family lives were non-existent due to the extremely long hours that recruiting demanded. They perceived unresponsiveness from their chain of command--that their leaders were either unaware of the problems or unwilling to do anything about them. It was also apparent to me that this survey had opened Pandora's Box. The recruiters were appreciative that someone had asked the questions, but they were not sure that anything would be done in response. It was obvious to me that something had to be done quickly to gain their confidence and to prove to them that someone did care about the problems.

On the positive side, the responses also showed that these individuals felt good about what they were doing--helping get people into the Navy. These were motivated people who cared about the state of recruiting enough to tell what they felt was wrong with it.

It was clear, as a result of the recruiting survey, that we had not achieved the standards of leadership that I desired. As a first step in taking action to correct this problem, I started with some difficult personal counseling sessions with all of the commanding officers and chief recruiters. These were difficult because I had to find a way to get their attention and convince them to change their perceptions of what was expected of them as the leaders in recruiting, and therefore change their priorities. In most instances, the major focus of the commanding officers and the chain of command was on

making goal. Recruiting is a very goal oriented operation. If your success is measured on the quantity and quality of people that you recruit and send to boot camp, then why is it necessary to worry about quality of life? The pervasive attitude was: "If the recruiter is not successful, then send him back to the fleet and find another one." I had to change this attitude and get my commanding officers to worry about the welfare of their personnel first. I had to find a way to convince them that if we could find ways to (1) take better care of our people, both the recruiters and their families, and (2) find better and more efficient ways to do our job through better training, then we would not have to worry so much about the numbers.

Next, I called together a Recruiting Study Group, a team comprised of some of my more enlightened Commanding Officers, experienced career recruiters, and several production recruiters fresh from fleet assignments. This group was given specific tasking to evaluate the areas of concern raised by the recruiter survey and to make recommendations regarding changes to repair the quality of life in recruiting and enhance our mission effectiveness.

Many of the changes that were adopted as a result of that study group were changes intended to begin immediate improvements to quality of life for Navy recruiters. They focused on promoting teamwork, increasing recognition, improving family awareness, reducing working hours and paper work requirements, increasing chances for recruiters to take leave and reducing the stress of recruiting. A major change in Navy recruiting has been to hold recruiting stations responsible for making goal rather than individual recruiters. This new approach fosters teamwork among individual recruiters. In the past, only individual achievement was rewarded and in order to ensure fairness in individual awards, goal sharing and teamwork was prohibited by Navy Recruiting instructions. Since their first day in the Navy, sailors are taught the value of teamwork and the return to the traditional way of task accomplishment is viewed as a major reduction in stress on recruiters. Another big change needed in recruiting was enhanced recruiter training, not just in the recruiting school but something that would continue in the field. Our school was doing a wonderful job of teaching the basics of recruiting, but by not reinforcing this training with recruiters in the field, we were cancelling out most of the good done by the school's instructors. We had a built-in training force, our Career Recruiting Force, but they were not focused on this aspect of their job, and no one was demanding that they work this part of the problem. This realization led to the start of the Career Recruiter Force Academy, a two month course aimed at teaching CRF'ers to be trainers. I also reinstated the position of District Trainer, to be assigned to personnel who were not CRF, but who were simply good recruiters with something to share. Also, I redefined the role of our Zone Supervisors to include the responsibility of training rather than just counting numbers.

There is no doubt that as a result of our efforts over the past 15 months, we have effected a dramatic change and improvement in Navy recruiting. As I compare the results of the recent DOD survey to the results of the survey we conducted last February, there are several striking changes in attitude and the working environment. Some typical examples are:

a. The Navy's survey results showed nearly 85 percent of our recruiters were working over 60 hours a week. The DOD Survey showed a 43 percent drop in that number.

b. A 33 percent increase in the number of recruiters who were satisfied with the training they received in preparation for recruiting duty.

c. A significant increase in the number of recruiters who had received assistance from more experienced recruiters when they reported to recruiting duty.

d. A 22 percent increase in the number of recruiters who believed that they received supervisory help when they were having trouble making goal.

e. A significant increase in the number of recruiters who believed that they had increased freedom to plan their work and select the best method for recruiting in their assigned areas.

f. A vast majority of the Navy recruiters feel they receive recognition for doing a good job.

g. A significant increase in the number of personnel who had volunteered for recruiting duty (today over 90 percent of our new recruiters are volunteers).

In addition, there have been programs started or actions taken that make the recruiters' jobs easier by giving them more tools to work with as they try to compete. Some of them are:

a. New Navy College Fund. Combined with the Montgomery GI Bill, this program provides a significant opportunity for the individual joining the Navy who may elect to leave later to go to college. This program was approved for the Navy by Congress this year, and it provides our recruiters equal footing with the well known Army College Fund and reduces the number of prospects lost for that reason only.

b. Increased advertising, both television and radio. I am deeply appreciative of this subcommittee's recognition of the serious under funding of Navy Advertising in the FY-90 program and the additional resources that you provided. FY-90's recruiting advertising budget will permit a total of 16 weeks of television advertising for the first time since FY-86. This, along with radio advertising time, will build recognition for our new slogan, "You And The Navy, Full Speed Ahead."

c. New Recruit Quality Assurance Team. These teams are assigned to Recruiting Command but will be located at each of the Recruit Training Commands. The teams will screen each inbound recruit to identify and initiate corrections of any enlistment processing irregularities or recruiting malpractice issues. I adopted this program after I saw its effectiveness with the Marine Corps. The recruits are interviewed shortly after arrival; therefore, we will have almost immediate feedback regarding potential recruiter

malpractice which will allow us to make corrections or take disciplinary action swiftly. In addition, this benefits the recruit because prior to this procedure, irregularities discovered at the RTC might have meant that the recruit would be placed in a holding company while they were resolved. By taking care of any problems immediately, the recruit then stays with his or her recruit company and starts boot camp on time.

Overall, we have tried in the last year to emphasize working smarter vice harder and to implement an operational recruiting plan highlighted by Training, Teamwork, and Tenacity. I believe we are seeing more and more of this each day.

In FY-89 our recruiters did what some were suggesting might be impossible. Faced with one of the most challenging years for Navy Recruiting and with the problems we were just starting to fix, I am happy to report we made last year's goal by bringing in 95,186 recruits. In fact, if I looked only at the bottom-line requirement, I would say that FY-89 was the best year of the decade for Navy Recruiting because we brought in the right numbers and the requisite quality. However, it must be noted that in order to achieve this success we drew down our Delayed Entry Program (DEP) by over 6,000, arriving at the worst DEP posture since 1981.

As far as FY-90 is concerned, it is going well. For the months of October through February, we are over 1,400 new contracts ahead of our plan for making goal. As the Navy end strength is getting smaller and our accession goals are reduced, we are not reducing the standards of the people we allow to join the Navy, but just the opposite, we are increasing the percentage of High School Diploma graduates we access and decreasing the number of Mental Group IV applicants we are accepting. This effort is resulting in an increase in the quality of our enlistees and in the quantity and quality of the personnel we now have in the Delayed Entry Program.

In summary recruiting has come a long way in the last year, but we are not where we should be yet. Navy recruiting's budget proposal before Congress for FY-91 includes a modest increase of \$10 million needed to sustain the progress made in FY-90 to make up for the draw down of the DEP pool in FY-88 and FY-89. Our proposed budget is intended to again next year permit a sustained level (16 weeks) of television advertising, helping to sell our program nationally. In addition, it will enable us to start automating some of the repetitive and administrative tasks currently performed by field recruiters.

Additionally, it is now well understood throughout Navy recruiting command that the most effective recruiter is a motivated sailor who does not fear that his career is in jeopardy. My staff and I will continue to focus on what needs to be done to ensure that every sailor sent to recruiting has the necessary support. Some of the programs we are implementing are completely new and will take more time to have a greater effect.

We are dedicated to committing that time. Also, I will continue to seek out even better and more efficient ways to do our job.

The support we are currently receiving from the top leadership of the Navy is invaluable. Being able to tell the recruiters that from the field that we have their backing and support has done a tremendous amount to increase morale. Everyone likes to know that someone is watching and appreciating what they are doing, and our recruiters know that now.

The other thing that we are starting to see is a change in the Fleet sailor's impression of recruiting duty. We have become more conscious of the impression being made out there by the people we are sending back to the fleet. If they leave with a bad impression, that is all their new shipmates will hear. When we send someone back to the fleet who has been successful, perhaps was even promoted as a result of that success, we are sending the best recruiter for recruiting we can possibly send out there. My goal is for everyone to leave with a good impression. The benefit of this is that we will see personnel of higher and higher caliber volunteering for recruiting duty in the near future. This will take time, as it will be a few years before most of today's recruiters, the ones living today's changes, will complete their tours and go back to working in their rating.

Many of our changes will take time to truly pay off. Recruiting needs the support that allows us the time to continue to repair our weaknesses. We need continued funding support to operate and to allow for us to try to compete with advertising. I know that our national team of recruiters can and will continue to come through. I hope, however, that their success does not paint a false picture for anyone that their job is easy. We are trying to address their concerns about the quality of their lives both at work and at home, but I will have to continue to ask each of them to give his utmost every year in order for us to continue to make goal with the caliber of individuals we need.

I will ensure Navy recruiting will continue to self-monitor how well our changes are working. There is already a follow-up Recruiter Survey planned. If we can continue to support the individual recruiters in the field, to keep their families happy, not only will we continue to meet the numerical goals set for us, but we will reduce the incidents of malpractice while we are at it and make recruiting a better place to work.

Mr. MURTHA. General Brown?

SUMMARY STATEMENT OF GENERAL BROWN

General BROWN. Mr. Chairman, thank you for the opportunity to testify today.

I can report to you that the Marine Corps Recruiting Service is continuing a successful trend that it has shown over the past few years. We are accessing adequate numbers, and our quality remains high.

Based on the committee concerns regarding improprieties and the quality of life of our recruiters, we have conducted an in-depth study of all facets of recruiting programs and, based on this study, I have identified policies and procedures that we think need changing.

We have done this and are seeing results. We think this will improve the quality of life of the recruiters and reduce improprieties. Regarding improprieties, we believe our quality control program is time tested and adequate. We have made some procedural changes as far as our inspection procedures go and as far as our monitoring procedures go, and we believe this is going to show good effect.

Most importantly, we have issued some very, very strong policy guidance from the Commandant, and I am sure that there is no doubt in anyone's mind in our recruiting service that recruiting with integrity takes precedence over purely making numbers. We are seeing progress in this aspect and, if present trends continue, our impropriety levels will be considerably lower than the last two years. So we are making progress in quality of life and in the impropriety area.

I can assure you that we are enthusiastically addressing the committee's concerns, will continue to do that, and with your continued help, we are very optimistic about Marine Corps recruiting in the future.

Thank you, sir.

[The statement of General Brown follows:]

BRIGADIER GENERAL GARY E. BROWN, USMC

Brigadier General Gary E. Brown is currently serving as the Director, Personnel Procurement Division, Manpower Department, Headquarters Marine Corps, Washington, D.C.

General Brown is from St. Petersburg, Florida. He was commissioned a second lieutenant in the Marine Corps upon graduation from Presbyterian College, Clinton, S.C., in June 1963. He is an honor graduate from the Amphibious Warfare School; on the Commandant's list at the Army Command and General Staff College; and graduated with highest distinction from the Naval War College, Newport, R.I.

After completing The Basic School, at Quantico, Va., he was assigned to the First Marine Brigade in Hawaii. The brigade deployed to Vietnam in May 1965, where he served as a rifle platoon commander in the 2d Battalion, 4th Marines, until March 1966.

Upon his return to the United States, General Brown was assigned to the 2d Infantry Training Regiment, Camp Lejeune, N.C., as a company commander. Promoted to captain in August 1966, he was assigned to the U.S. Army Infantry School, Fort Benning, Ga., where he served as an instructor and Assistant Marine Corps Representative. Following graduation from the Amphibious Warfare School in December 1968, General Brown returned to Vietnam for a second tour, serving initially as a company commander in the 5th Marines and later as a combined action company commander. During May 1970, he reported to the USS Springfield (CLG-7), homeported in Gaeta, Italy, for duty as Commanding Officer of the Marine detachment.

Promoted to major in 1972, General Brown was transferred to the Marine Corps Recruiting Station, Houston, Texas, where he served as the officer-in-charge. He reported to the 1st Marines in August 1975, serving as the Executive Officer, 1st Battalion; Regimental S-3; and Executive Officer, 2d Battalion, respectively.

Following graduation from the Army Command and Staff College, Fort Leavenworth, Kansas, in June 1979, he was promoted to lieutenant colonel and transferred to Headquarters, U.S. European Command, Stuttgart, Germany, where he was assigned to the Plans and Policy Directorate. He attended the Naval War College, Newport, R.I., from 1981 to 1982. He then reported to the 9th Marines for duty as the Deputy Camp Commander, Camp Hansen, Okinawa.

Reassigned in 1983 to the U.S. Central Command, MacDill AFB, Fla., General Brown served as Chief of the Pre-positioning Branch, Logistics and Security Assistance Directorate. He was advanced to colonel in October 1985. In July 1986, after three years with the Central Command, he was ordered to the 1st Marine Division, Camp Pendleton, Calif., where he served as Assistant Chief of Staff, G-4.

During June 1987, he was assigned duty as the Commanding Officer, 1st Marines, Marine Corps Base, Camp Pendleton, Calif. In November 1988, General Brown was selected for promotion to brigadier general. He assumed his current assignment in December 1988. General Brown was advanced to brigadier general on April 26, 1989.

His personal decorations include: the Silver Star Medal with gold star in lieu of a second award; Purple Heart; Defense Meritorious Service Medal; Navy Commendation Medal with Combat "V"; Army Commendation Medal; Navy Achievement Medal; Combat Action Ribbon; and the Republic of Vietnam Staff Service Honor Medal.

Brigadier General Brown is married to the former Judith Carol Akins of St. Petersburg, Florida. They have two children, 1st Lt. Gary E. Brown Jr., USMC, and a daughter, Lauren Rachel.

STATEMENT OF BRIGADIER GENERAL GARY BROWN, U.S. MARINE CORPS

Mr. Chairman, distinguished members of the subcommittee:

It is an honor to appear at this hearing representing the United States Marine Corps and our recruiting service.

Fiscal year 1989 was another highly successful recruiting year for the Marine Corps. All Total Force quantity and quality goals were met or exceeded, in both our officer and enlisted programs for the Regular and Reserve Structure. Ninety-five percent of the enlisted accessions were high school graduates while the average Scholastic Aptitude Test scores for newly commissioned second lieutenants was 1124 as compared to our standard of 1000 and a 1988 national average of 904. As we moved into fiscal year 1990, fifty-five percent of our enlisted force requirements were in the Delayed Entry Program (DEP).

Through February, over 90 percent of our fiscal year 1990 Total Force goal has either been sent to recruit training or is already in the DEP awaiting recruit training. We are especially grateful to the Defense Subcommittee on Appropriations, House Appropriations Committee for the help in providing additional advertising money. Advertising assists in generating leads and ultimately enlistments which in turn contributes to our recruiting success. Equally important is the fact that your help in this area also eases the burden of our recruiters.

Based on the Committee's concerns, the Marine Corps conducted a review of our recruiting policies, procedures, and the quality of life of our recruiters. The review covered every facet of our recruiting effort and reemphasized the need to continue our focus on the morale and well being of our recruiters and their families. Internal and external issues were identified, which when resolved, will assist in reducing the pressures and stress common to a recruiter's life.

In addition to comments and recommendations obtained from throughout the recruiting service and our Headquarters, our review also considered the results of the 1989 Department of Defense (DoD) Recruiter Survey. The DoD Recruiter Survey solicited responses to questions regarding managerial and quality of life issues about which recruiters are concerned. A total of 783, almost one third of all Marine Corps recruiters, participated in the survey.

Our review reemphasized that our recruiting officers and noncommissioned officers are among the most dedicated, competent, and hardworking professionals in the Marine Corps. These leaders foster honor and integrity through their leadership and example and make it known that they will tolerate no less than absolute, unequivocal honesty. I am confident that their daily efforts will continue to effectively neutralize any negative influences on the very few recruiters that may be tempted to compromise their integrity.

As background information, we are organizationally geared for success. Enclosure (1) depicts our organization for recruiting. Our eastern and western recruiting regions both have three Marine Corps districts. Each district is responsible for six to ten recruiting stations. All together we have 48 recruiting stations across the Nation. Embedded within this recruiting structure is a quality control system which is comprehensive and redundant to accommodate the necessary steps for checks and balances.

The recruiting improprieties which were occurring in our Pittsburgh station over a year ago were in fact uncovered by our quality control system. The effectiveness of our checks and balances was highlighted during this period when they revealed that improprieties were occurring. The failure in integrity and leadership that was the case in Pittsburgh is, however, an aberration.

We have long acknowledged the benefits of having quality personnel within the Marine Corps. Our recruiters are key to realizing the Corps quality manpower needs; their assignment is challenging and demanding to say the least. Affording our recruiters a quality of life comparable to most Marines remains our goal which was brought out by the review.

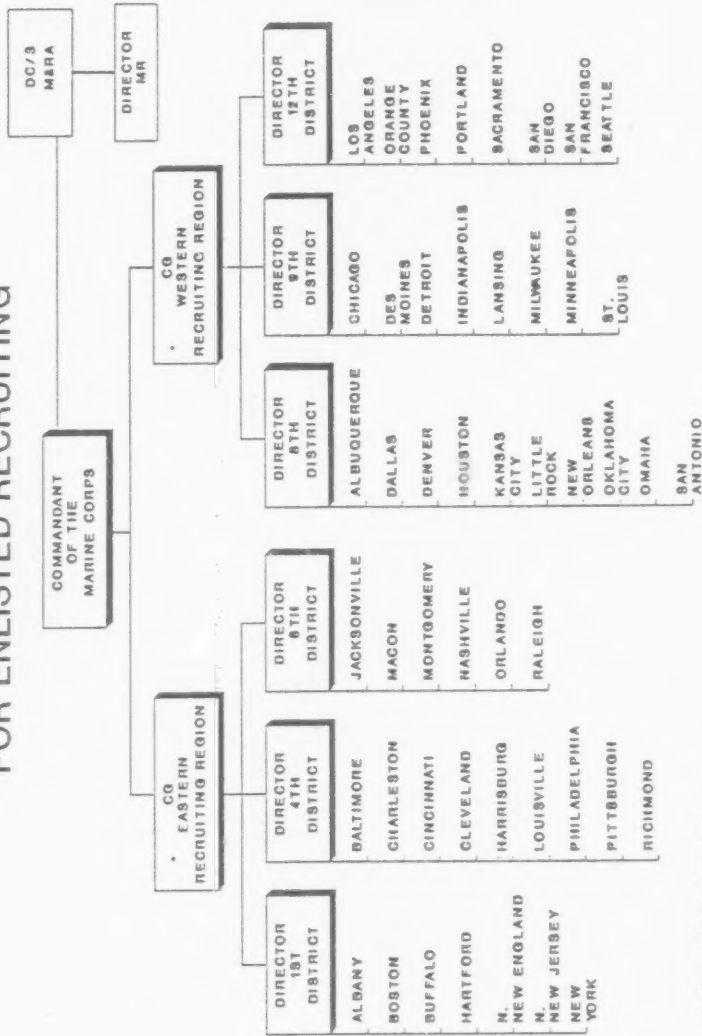
As with any detailed review, our examination identified actions which when approved by the Commandant of the Marine Corps will serve as a blueprint to further enhance our recruiting service. As might be expected, however, many of the issues revealed have resource implications both internal and external to the Marine Corps. Improving our recruiters' quality of life, for example, will require additional funding annually and in some cases changes to some higher authority's regulation. Additional funding to support any increases to our current recruiting program must compete on a priority basis with other unfunded requirements within the Marine Corps. Enclosure (2) highlights some of our specific concerns. We are taking the appropriate actions to correct them and if necessary assistance by this Committee will be requested. We recognize that the quality of life of our recruiters is indeed important and believe that additional resources are warranted, and, as in the past, we are hopeful about help and support from the Congress in bringing about needed improvements.

I wish to extend my sincere thanks and appreciation and that of our recruiting service for the genuine concerns of the Committee. The personal interest and visits to recruiting stations and substations by Committee and staff members is truly appreciated.

With the Committee's continued interest and support, we remain optimistic about the future of Marine Corps recruiting.

Enclosures: (1) Organization of the Marine Corps Recruiting Service
(2) Some Resource Related Issues

TASK ORGANIZATION FOR ENLISTED RECRUITING



* OPERATIONAL CONTROL

SOME RESOURCE RELATED ISSUES

- LEASED FAMILY HOUSING
- CHAMPUS SUPPORT
- DEPENDENT SUPPORT
- FAMILY TRAVEL VIA GOVERNMENT VEHICLE
- SPECIAL DUTY ALLOWANCES INDEXED TO INFLATION
- COST OF LIVING ALLOWANCE FOR 'A' BILLETS
- SPECIAL ALLOWANCES FOR DRY CLEANING
- RECRUITER BONUSES
- DEP TRAINING PAY AND LONGEVITY

Mr. MURTHA. General Salvadore?

SUMMARY STATEMENT OF GENERAL SALVADORE

General SALVADORE. Mr. Chairman and members of the committee, thank you for the opportunity to discuss Air Force recruiting and outline the results of our review.

I would like to take this opportunity also to thank the committee for their support of our recruiters and the recruiting mission. We appreciate your concern very much.

I have provided a copy of my prepared statement for the record.

Let me summarize by saying that the Air Force had another highly successful recruiting year in fiscal year 1989. We achieved 100 percent of all enlisted and Officer Training School requirements with very high-quality young men and women. We also achieved success in most of our health professions programs.

However, we continue to experience considerable difficulty in filling critical requirements for physicians. In fact, for the last two years, we have failed to meet our physician objectives. We have taken a number of actions to strengthen our physician recruiting program in the face of record high goals. We think these initiatives will help, but this aspect of our mission will continue to be a challenge.

We believe Air Force recruiting is healthy today and postured well to satisfy future manpower requirements as do the recruiters in other Services who serve across the nation.

However, recruiting is challenging and inherently stressful duty. Our recruiters serve in offices across the nation and in several overseas countries. Many live in high-cost civilian communities far removed from military support facilities. Despite this, the feedback we are getting indicates that our recruiters adjust well to the job. Job satisfaction among Air Force recruiters is high. Nearly 75 percent say they like their job. Seven out of ten would find a follow-on assignment within recruiting desirable. Moreover, most of our recruiters believe that their goals are attainable.

The attitude of our Air Force recruiters, I am confident, is the primary reason incidents of malpractice in the Air Force have been so low.

We have our problems, of course. Too many of our recruiters report working more than 60 hours a week. About 15 percent are unable to pay their bills and, of these, one in three indicates receiving some form of public assistance, which I have come to find out is mostly the school lunch program.

I am especially troubled to find that 37 percent of my recruiters indicate that they have difficulty taking leave. We have made these issues a matter of command-wide interest and promise to work on them very hard to correct the situation.

We have also made a number of changes in recent months, both in response to this review and as part of a continuing effort to make recruiting service as effective as possible. We have also made a number of changes in recent months to improve the way we do business. Manpower authorizations have been shifted from less productive to more productive areas. Our goal allocation system has been improved, and formal training has been improved.

We are well underway toward developing and implementing a data system which will take much of the administrative burden off Air Force recruiters. Combined, these and other initiatives, to include the initiatives of the other Services, are going to reduce unwarranted stress and make us more effective.

There are, however, areas outside our control that are important also. Among the areas that I am especially concerned about is adequate, affordable housing. Too many of my recruiters indicate that they are losing money in metropolitan areas. They are also concerned about health care because many of them live away from military facilities and CHAMPUS says that you have to pay something. They are concerned about adequate pay, about Special Duty Assignment (SDA) pay. OSD, the seventh quadrennial review will address many of these issues.

I am confident that the initiatives we have undertaken, the healthy review we have conducted with respect to where we stand and your support in addressing some of the issues that we don't have control over will enable the Air Force recruiting service to continue to do an effective job.

That is all I have, I would be happy to respond to any questions, sir.

Mr. MURTHA. Thank you very much.

[The statement of General Salvadore follows:]



Biography

United States Air Force

Secretary of the Air Force, Office of Public Affairs, Washington, D.C. 20330-1000

BRIGADIER GENERAL JOHN J. SALVADORE

Brigadier General John J. Salvatore is commander, U.S. Air Force Recruiting Service, and deputy chief of staff for recruiting service and commissioning programs, Headquarters Air Training Command, Randolph Air Force Base, Texas.

General Salvatore was born June 11, 1939, in Chester, Pa. He earned a bachelor's degree in psychology from St. Joseph's College in 1961 and a master's degree in business administration from Syracuse University in 1971. He completed Armed Forces Staff College in 1975 and National War College in 1982.

He received his commission through the Air Force Reserve Officer Training Corps program. The general entered active duty in June 1961 and was assigned as a personnel officer with the 2nd Bombardment Wing, Hunter Air Force Base, Ga. In May 1964 he became chief of the Officer Special Actions Division, Office of the Deputy Chief of Staff for Personnel, Headquarters Alaskan Air Command, Elmendorf Air Force Base.



General Salvatore transferred to the Air Force Military Personnel Center, Randolph, in May 1967. He served as a career development staff officer and participated in developing a new career management system for Air Force officers. He then attended Syracuse University and received his master's degree through the Air Force Institute of Technology graduate studies program. While at Syracuse, the general was designated as a member of Beta Gamma Sigma, a national scholastic honor society. In September 1971 he transferred to Headquarters U.S. Air Force, Washington, D.C., as special assistant to the deputy chief of staff for personnel.

After completing Armed Forces Staff College in January 1975, he returned to the Pentagon as a personnel plans officer. General Salvatore later was assigned as the Air Force representative to an Office of the Secretary of Defense study group tasked to recommend changes in Department of Defense recruiting operations. In March 1977 he was assigned as chief of the Regular and Reserve General Officer Division, Assistant for General Officer Matters, Office of the Deputy Chief of Staff, Manpower and Personnel, at Air Force headquarters.

General Salvatore attended National War College from August 1981 to June 1982. He then was assigned as commander of the 3501st U.S. Air Force Recruiting Group, Hanscom Air Force Base, Mass., where he was responsible for Air Force recruiting for the northeastern United States. In July 1984 the general became deputy chief of staff for personnel, Headquarters U.S. Air Forces in Europe, Ramstein Air Base, West Germany. In June 1987 he became the assistant for general officer matters, Office of the Deputy Chief of Staff for Personnel, Air Force headquarters. He assumed his present position in December 1988.

The general's military decorations and awards include the Legion of Merit with oak leaf cluster, Meritorious Service Medal with three oak leaf clusters, and Air Force Commendation Medal with oak leaf cluster.

He was promoted to brigadier general Aug. 1, 1988, with same date of rank.

General Salvatore is married to the former Meg Gleason of Northampton, Mass. They are parents of four children: John, Nicole, Kerry and Kevin.

(Current as of August 1989)

BRIGADIER GENERAL JOHN J. SALVADORE

MR CHAIRMAN AND MEMBERS OF THE COMMITTEE. I am pleased to have the opportunity to appear before this committee to discuss Air Force recruiting, and outline the results of the recruiting process review we conducted in response to the FY 1990 Defense Appropriation Bill.

We are pleased to report that the Air Force had another highly successful recruiting year in FY 1989. We achieved 100 percent of our enlisted objective, recruiting 43,450 of our Nation's finest young men and women. Fiscal Year 1989 was also a good year in terms of recruit quality. More than 99 percent of our nonprior service accessions scored in the top three aptitude categories on the Armed Services Vocational Aptitude Battery (ASVAB); 99 percent were high school diploma graduates. As you know, the beneficial pay-off associated with this quality is less attrition, lower overall training costs, and fewer disciplinary problems.

The Air Force was also successful in recruiting college graduates for entry into Officer Training School (OTS). These young men and women will serve in a variety of officer career areas including pilot, navigator, and operations, as well as several technical specialties. We achieved 100 percent of our objective in the OTS program, entering nearly one thousand college graduates on extended active duty, and the quality of these future leaders was most impressive. Their average grade point average (GPA) was 3.1 (4.0 scale); their average score on the Air Force Officer Qualifying Test was above the 70th percentile, and nearly 40 percent had a technical degree.

In addition to recruiting college graduates for OTS, Air Force Recruiters also played an important role in recruiting college-bound youth for the Air Force Reserve Officer Training Corps (AFROTC) program. Beginning in 1987, to capitalize on our recruiters' presence in the Nation's high schools, Recruiting Service joined forces with AFROTC and initiated a joint program to seek out top quality college-bound high school students. During the first full year (school year 1988-1989) of this program, Air Force recruiters helped more than 11,000 outstanding high school seniors submit AFROTC scholarship applications. In school year 1989-90, we refined and improved this process attracting more than 17,000 applicants, all of whom met the rigorous scholastic and aptitude standards for this highly competitive program. Among these top notch high school students, nearly 1,000 were exceptionally well qualified minority scholarship applicants.

We also achieved success in most of our health professions programs. We are extremely proud of the professional qualifications of these highly trained health care providers. For example, the average work experience of the 403 fully qualified nurses we recruited was 66 months. Another 242 nurses who entered through the Early Commissioning Program, an internship for new nurse graduates, had an average GPA of 3.13 (4.00 scale). I should add quickly, however, that the Air Force

is facing stiffer competition in meeting its nurse requirements. An increase in the number of non-hospital jobs for nurses and greater salaries, bonuses, and benefits in the civilian sector adversely affect our recruitment efforts. This civilian competition is even greater for nurse specialists, a program in which we achieved only 78 percent of our goal in FY89. Accessing Midwives, Certified Registered Nurse Anesthetists (CRNAs), and Obstetrical/Gynecological (Ob/Gyn) nurse practitioners will be a significant challenge. The recently enacted nurse accession bonus and the incentive special pay for CRNAs, authorized in the FY90-91 National Defense Authorization Act, should enhance our overall recruiting ability for nurses.

Our Biomedical Sciences Corps (BSC) goal was the largest in 25 years. We met our objective, commissioning more than 300. In excess of 25 percent possessed a Ph.D.; 13 percent had an advanced degree beyond the minimum degree requirement. We also achieved 119 percent of our dentist goal. The average dentist who entered the General Practice Residency was in the top 16 percent of his or her graduating class. General duty dentists were in the top one third of their class. In the Medical Service Corps (MSC) program, we recruited 57 professionals; more than 70 percent had a master's degree. Finally, in the Health Professions Scholarship Program, our three and four-year scholarship program for medical students, the average selectee had a GPA of 3.65, and a Medical College Admission Test score of 59. The national averages were 3.46 and 56.3, respectively.

Recruiting quality physicians represents our greatest challenge and will remain our number one priority. Despite our success in recruiting most types of health care providers, we continue to experience considerable difficulty in filling critical requirements for physicians. In fact, we have missed our physician goal the last two fiscal years. In FY88, we accessed 126 physicians against a goal of 139. In FY89, we recruited 147 against a goal of 199. Our current goal is 373, and requirements are expected to stay at this level for the next several years.

Our recruiting difficulty in this area can be attributed to a variety of factors. Pay and benefits are among the most important. Civilian group practices and Health Maintenance Organizations (HMOs) continue to offer larger salaries and a benefits package that is generally greater than the Air Force can offer. The Medical Officer Retention Bonus (MORB) and increases in other special pays for physicians for FY90 may greatly enhance our recruitment effort; however, we are concerned about FY91 and beyond. The MORB, which is now available to most residency trained physician specialists, is scheduled to be discontinued at the end of FY90. We understand that Incentive Special Pay (ISP), currently available to critical specialties only, may be expanded to include all MORB specialties beginning in FY91. However, because the amounts are uncertain at this time, we are concerned that some specialties may not be eligible for as much special pay

as they were in FY90. We are advised that the Office of the Assistant Secretary of Defense for Health Affairs is aware of this potential pay disparity.

Because of the difficulties we are experiencing in the physician program and the increasing struggle with nurse recruitment, we have implemented a number of initiatives to improve our recruiting efforts:

(1) We have redistributed our advertising budget to about double the portion used to support the recruitment of health care professionals. We are improving the size and frequency of our local and regional advertising, developing new physician, nurse, and Biomedical Sciences Corps (BSC) audiovisual products, creating more innovative and prestigious direct mail, developing new national advertisements and public service announcements, and increasing the number of advertising releases to professional newsletters and journals.

(2) We have also redistributed our manpower assets to increase the size of our medical recruiting force by roughly 30 percent. We were able to do this because of reductions in the NPS and OTS programs. We have added a supervisor and an average of two recruiters to each medical team and have implemented a dedicated physician recruiter concept. These recruiters will recruit physicians only and have no other medical program goals. With this increased recruiter force, we can work the physician residency programs more aggressively, enhance our prospecting activities and in general penetrate the market more effectively.

(3) Quality training is essential to any recruiting program. Accordingly, we have added a training division within the health professions directorate to provide better training to health professions recruiters. This additional training capability will be used to conduct training evaluations, providing more effective field training to program managers, flight supervisors and recruiters.

(4) The Air Force Surgeon General's office is sponsoring a program in which Air Force physicians are actively supporting each of our 33 recruiting squadrons. These physicians assist in training our recruiters, attend center-of-influence events, and interact with physician applicants. They will represent the Air Force at national meetings, help man our recruiting booths, and assist in regional and national training workshops. Additionally, our medical treatment facilities are providing valuable assistance by providing "red carpet" treatment for applicants' medical examinations and taking a more active role in the recruitment process by assisting in selling the Air Force, as well as specific assignments.

We feel these initiatives will improve significantly our ability to recruit physicians in FY90 and beyond. We will continue to focus on innovative ideas and methods to tackle this health professions recruiting challenge.

Let me now address the specific results of our recruiting process review that you asked for in the FY 1990 Defense Appropriation Bill.

On balance, we believe Air Force Recruiting Service is healthy today and postured well to satisfy the challenges of the future. However, recruiting duty is inherently stressful. Our recruiters are geographically distributed across the Nation and in several overseas countries. Many live in high cost civilian communities far removed from military installations. Regardless, most recruiters adjust to the arduous nature of recruiting duty, to the reality of being measured against a clearly defined performance standard (goal), and to living on the economy.

In an effort to measure recruiter perceptions we conduct a survey of our recruiting force each year to determine their opinions and attitudes on a number of important issues. The results indicate that our recruiters are generally satisfied with their jobs and are dedicated to the Air Force recruiting mission. However, we are not without problems. We find that 27 percent reported they worked more than 60 hours a week in an effort to achieve goal. About 15 percent are unable to pay their bills without dipping into their savings and of these, one in three indicates receiving some form of public assistance. Despite guidance to the contrary, we are also troubled to learn that about 40 percent say they have difficulty taking leave. Better tracking, continuing guidance to plan, schedule, and take leave, plus increased command emphasis should reduce significantly or eliminate this problem.

The surveys are also providing a lot of positive feedback. Job satisfaction among recruiters is high--about 65 percent of our recruiters say they like their job. More than 70 percent of our recruiters believe that recruiting is as good or better than the job they had before, and 67 percent considered a follow on assignment within recruiting desirable. Nearly 70 percent believe that their goals are attainable from their assigned market, and an equal percentage rate the formal training they received to become a recruiter as either good or excellent.

Our track record shows that our recruiters take their responsibilities seriously and have established a good record of minimizing recruiter malpractice. Of 30 alleged recruiter malpractice incidents investigated in 1989 by an impartial senior NCO or officer, only eight were substantiated. Each of the eight responsible recruiters received appropriate disciplinary action. We attribute this relatively low number of allegations to several factors related to the Air Force recruiting process.

That process starts with the selection of our best career NCOs for recruiting duty. They are all volunteers and their initial recruiting assignment is to a location of their choice. Training for new recruiters, the next step in the process, consists of a five and one-half week, formal school conducted by experienced recruiters each of whom has a proven track record and demonstrated platform skills. Those who do not have the aptitude

for recruiting duty are returned to their primary skill. Graduates move on to one of 33 recruiting squadrons around the Nation. Here, they are assigned to a 5-7 member flight supervised by a handpicked senior NCO and enter into a 12-month training program. Those who cannot measure up are returned to their primary Air Force specialty without prejudice.

In addition to this rigorous selection and training programs, we have several safeguards to prevent fraudulent entry and/or detect recruiter malpractice. For example, positive identity is required from every applicant (birth certificate, Social Security card), education status is validated only from original (or certified true copy) diplomas or transcripts, and all mental and physical examinations are conducted by activities outside the recruiter's control. Furthermore, we subject the process to continuous quality control checks. Finally, each recruiting activity (and recruiter) is subject to a full compliance inspection biennially by the Air Training Command Inspector General.

Despite our record of success in preventing recruiter malpractice, the Air Force continually reviews its recruiting process in an effort to identify problem areas before they become major concerns. This review, over the last two years, has taken on added significance as a result of earlier House interest in recruiting, the concern expressed in the FY 1990 Appropriation Bill language, and the overall effort being made to improve the recruiting process and recruiter quality of life. Several changes have been made as a result of this renewed interest:

(1) We have moved nearly 100 manpower authorizations from the northeast, midwest, and west coast areas to the southeast and south central United States. This helped eliminate long-term systemic failure of some recruiting units in certain sections of the country. Reducing recruiter manpower and lowering goals gives those who remain in these areas a better opportunity to succeed. By shifting authorizations, we were able to increase recruiters' presence in areas that have become more productive in recent years. As a result, we have a better match between resources and market and, at the same time, we have reduced the stress experienced by individual recruiters.

(2) The process used to allocate recruiting goals across the Nation has been modified significantly to improve the accuracy and use of the data base (i.e., population, propensity, manning), and allow more input from subordinate activities. Subordinate commanders have been given more latitude in allocating goals downward based on their knowledge of factors that might be unique to local markets but not applicable at the national level.

(3) Work is well underway on a computer based system that recruiters can use to prepare the 22 page applicant case file and perform other time-consuming, administrative tasks. Once on-line (expected in 1992), this system will reduce the recruiter's administrative burden and make the job simpler. It

will also make more time available for basic recruiting tasks, e.g., school visits, center-of-influence events, and one-on-one contact with interested applicants.

(4) Management training for recruiting supervisors has been restructured. Formal training for squadron commanders and superintendents has been expanded to provide more demonstration and laboratory training. The self-inspection program now requires over-the-shoulder evaluation. Training in specialized recruiting, particularly for health professions recruiters, has been intensified, and every recruiting unit now receives an annual training visit by a team of trainers who are experienced in every aspect of recruiting. These visits begin with a detailed review of all recruiting activities which identifies deficient areas. Hands-on training is then provided to ensure our recruiters know what is expected and how to do it right.

(5) We have also changed our advertising programs to better support recruiters. Funds are now allocated to local recruiting units based upon actual media costs in the area concerned to ensure that recruiters receive adequate local advertising support. Recruiters are allowed to order sales promotion items best suited for their marketplace rather than receive an automatic allotment of items that may or may not be useful to them. Finally, we centralized direct mail under a national contract rather than use numerous local area direct mail contractors. This has eliminated the need for recruiters to do large-scale direct mail--it is now done for them at the national level.

(6) Ensuring the systematic career progression of talented, deserving recruiting managers and supervisors is vital to the future of Air Force recruiting. To this end, we have developed and institutionalized a competitive board process for the selection of individuals assigned to key command/supervisory positions. All prospective recruiting squadron commanders and superintendents are now screened by a board of colonels to ensure they have the requisite qualifications for these key leadership positions. Likewise, a career-progression policy for recruiters was developed and formalized. This not only ensures that we get the right people in leadership positions but that everyone in Recruiting Service understands fully what is required for career progression.

The Air Force has made what we believe to be significant improvements in the recruiting process. To the extent that these improvements are effective, we will be able to do a better job of selecting, training and maintaining a strong, effective recruiting force. There are, however, areas outside our control that affect our recruiters. Adequate, affordable housing leads the list, and recruiters in high-cost areas are particularly hard hit. Without access to military family housing, some of these recruiters incur out-of-pocket housing expenses (over that reimbursed by BAQ and VHA) in excess of \$300.00 monthly. Recruiter surveys routinely identify excessive, unreimbursed housing costs as their number one concern. The Air Force

recently instituted a leased bachelor housing program for single recruiters, and we are working to restore the same for married recruiters to help resolve the housing problem.

The housing allowance program, along with a variety of issues of significance to recruiters, including overall pay standards and adequacy of Special Duty Assignment Pay, will be reviewed in detail during the upcoming Seventh Quadrennial Review of Military Compensation. These actions will help us attract the right kinds of people to recruiting duty, afford them a quality of life comparable to other military members, reduce the stress levels on individual recruiters and sustain our efforts to minimize recruiter malpractice.

Mr. Chairman, and members of this Committee, thank you for the opportunity to discuss the results of our recruiting review and identify actions taken to improve quality of life for our recruiters. With your continued support and the support of the American people, we will sustain our record of recruiting high quality young men and women to fulfill Air Force accession requirements. We look forward to working with you as we face these challenges.

PROFILE OF A RECRUITER

Mr. MURTHA. All of your biographies will appear in the record along with your statements.

In 1985, DOD did a survey "Profile of a Recruiter" that indicates recruiters are a select group of highly qualified and motivated NCOs. Certainly in talking to them, I found the same thing. They are highly motivated and wanted to get the job done.

In every Service, they are more likely to believe the military provides an opportunity to serve their country, job security, friendships, job satisfaction, good job training, stability from moves and increased promotion opportunity than their enlisted counterparts in other military specialties.

That is talking to the recruiter.

When you talk to the wives, you get an entirely different picture. The wives were sitting at home having to contend with the bills in many cases and, of course, putting up with all kinds of problems that the individual recruiter may have or may not have shared with her depending on how the individual handled it. We were talking about working 60 hours a week, and this was not out of the ordinary. They were proud of the fact they had to work 60 hours a week because they had to get the job done.

When I visited the Marine Corps Recruiting Station in Philadelphia, the senior recruiters believed that it wasn't necessary to work 60 hours a week, that they weren't utilizing their time effectively. They felt strongly they could be more productive if they were given better training, better leadership, and if they worked in a pool.

It sounds like everybody is saying that is what is happening. Do any of the Services still push their people to work 60 or 70 hours a week?

Admiral MCKINNEY. If I may, I certainly agree that the hours of work are the critical issue to recruiter morale. No question of that in the Navy. What I sensed when I got into the issue on morale was that the hours recruiters were putting in were too long. I put out specific guidance to my recruiters that I want them to come to work at nine in the morning and go home at six at night.

I recognized that some Saturday work was necessary when a military processing station was open, but outside of that, I did not expect Saturday work. I forbade work on weekends, Sundays and holidays, and I have really turned this issue around.

For example, in the survey that we ran in Navy recruiting in February 1989, we had over 80 percent of our recruiters reporting that they worked more than 60 hours a week. That number, according to the DOD survey done last fall, has been cut in half; about 40 percent are still reporting over 60 hours a week. There is, as you recognize, a certain amount of macho image on work hours and that is a hard thing to overcome. The recruiter who is failing will never want to say that he has failed because he didn't work hard enough. So there is a macho—maybe that is the wrong terminology—but a feeling that, "I am going to give it my all," and you almost have to legislate cutting down work hours.

Mr. MURTHA. You gave a specific order to limit hours to 40 hours a week and still 40 percent—

Admiral MCKINNEY. Forty-five hours a week, nine to six.

Mr. MURTHA. Basically, 40 percent of the recruiters are still working 60 hours a week.

Admiral MCKINNEY. Still reporting over 60 hours a week, and that is a frustration.

General SALVADORE. Sir, you said training. We in the Air Force believe in training. I think that the person who works more than 60 hours a week is also a person who is at risk, who fears failure and as a consequence, puts in more hours to succeed. I think in that respect a recruiter has to feel to a substantial degree that his goals are makable and that is a function of how we train the recruiter on how we allocate goals and resources.

How many people do we ask a youngster to bring into the Air Force?

Philadelphia is a good example. We hadn't looked at that area in years and we had too many people in the office there and they were going out and trying to sell the United States Air Force and the market didn't support the number of recruiters. So we pulled recruiters out and reduced their goal and today they are making goal. Unemployment rates and propensity and market influences dramatically affect how you do business. The latest data I saw indicate that five years ago, one in five of the armed services recruits were coming from the North Eastern United States. The South Central and Southeast United States are very rich recruiting markets now, and you have to adjust your resources to that reality. You have to make goals attainable.

Mr. MURTHA. Of your people, what percentage of them work over 45 hours a week?

General SALVADORE. Twenty-seven percent indicate they work over 60 hours a week. That is the last survey. That number has probably gone down.

We have done dramatic things to shift goal and resources to organize ourselves so that every recruiter thinks his goal is attainable. The last time I looked, 80 percent thought their goal was attainable.

Mr. MURTHA. Still, 27 percent have to work——

General SALVADORE. Yes, sir.

You can bolt some people's legs to their chairs at home and they will find a way to come to work and work long hours because they want to succeed.

Recruiters are extremely competitive people. I have a recruiter in Lafayette, Mississippi who put in 142 recruits by himself. He is a gold badge recruiter and if I told him not to work 60 hours a week, he would sneak out of the house and do it anyway.

General WHEELER. We review based on this committee's guidance the techniques with respect to recruiting as well as the overall process.

What we found was a great use of the telephone, but also we found over the decade of the eighties a vast expansion of telemarketing in many industries throughout the country and when you stop and think of when the high school seniors would be home, generally speaking, that would be at night.

Towards the latter part of the eighties, we also saw the great expansion of the answering machine which in many cases was just wasted time on the part of our recruiters.

We have introduced, both in the formal school context as well as on the ground, different techniques to cause our recruiters to be successful. We think that has paid off.

First quarter fiscal year 1990 as compared to first quarter 1989, we saw a 70 percent increase in our winners and I couldn't agree more with what the other Service chiefs have said with respect to that winning attitude. They all want to be winners. February 1990 as compared to February 1989, we saw 135 percent increase in winners.

I might also add that very much like the Air Force, we have seen a quantum improvement in the Northeast corridor as far as winning is concerned this year. Boston, for example, is a big one now; ten months in a row. As of last night, close out for March, Philadelphia, New Haven, Baltimore, Boston again are in the winning category.

While we can do a tremendous amount of work with respect to quality of life, missioning, unless that professional soldier is winning and they know they are winning, we cannot replace that factor. I think we are seeing that winning take place today.

ACCESSION GOALS

Mr. MURTHA. What are the quotas compared to last year?

General WHEELER. They are somewhat reduced this year as compared to last year, but the big thing is that we have them in a quality market.

Another frustration, last year we had them in multiple markets. This year we have them in the high school senior or graduate market predominantly in the upper 50th percentile of the Nation. When they send someone to the military enlistment processing stations, their conversion rate of those who subsequently contract increases. This past month, we probably ended up with a 70-plus percent conversion rate. Last year, we were talking about the 50th percentile, meaning we were not working smart, we were just working harder.

Mr. MURTHA. What is the total goal for this fiscal year? Do you run a calendar year or fiscal year?

General WHEELER. Fiscal year.

As far as our quality goal is concerned, it is about the same.

Mr. MURTHA. Quantity or quality?

General WHEELER. Quality.

Mr. MURTHA. I am interested in quantity.

How many less people is the Army recruiting this year?

General WHEELER. As compared to what we accessed last year, approximately 35,000.

Mr. MURTHA. What is the Navy figure?

Admiral MCKINNEY. The Navy went from 95,000 to 87,000, sir; eight thousand less.

Mr. MURTHA. The Marine Corps?

General BROWN. This year we have increased our quota by 1,400 over last year.

Mr. MURTHA. How about the Air Force?

General SALVADORE. Seven thousand less.

Mr. MURTHA. So we are talking out of—what is the Army recruiting; 125,000 a year?

General WHEELER. Approximately 120,000. Thirty-five thousand is closer to 27,000 as of this morning; 27,000.

Mr. MURTHA. So 27,000 is the figure for the year; that is your goal for the year?

General WHEELER. As of today as compared to what we accessed last year.

Mr. MURTHA. The Navy recruits how many per year?

Admiral MCKINNEY. Last year it was 95,000. It is 87,000 this year.

Mr. MURTHA. Is the 120,000 a figure minus the 27,000?

General WHEELER. Yes, sir. Our goal for the remainder of this year for fiscal year 1990 is 92,000 regular Army.

Mr. MURTHA. So what is the goal for the Navy?

Admiral MCKINNEY. 87,000, sir.

Mr. MURTHA. And the Marine Corps?

General BROWN. 42,000, sir, regulars and reserves.

Mr. MURTHA. The Air Force?

General SALVADORE. Thirty-six thousand, sir.

Mr. MURTHA. These recruiting commands have responsibility for regulars and Reserves?

General WHEELER. That is correct. On the Army side, the 92,000 I cited to you is regular Army only. We have a requirement of approximately 57,000 additional United States Army reserve accessions.

Mr. MURTHA. Is Reserve included in the Navy?

Admiral MCKINNEY. Yes, sir.

Mr. MURTHA. Marine Corps, is reserve included? And the Air Force?

General SALVADORE. Active duty only, sir.

Mr. MURTHA. What is the Reserve figure?

General SALVADORE. The Reserve figure annually I will have to provide for the record. I am sorry.

[The information follows:]

The Air National Guard accessions for FY 1989 was 12,790. The FY 1990 budget requires accessions of only 12,169. Therefore, the quota for Air National Guard accessions in FY 1990 is 621 less than FY 1989 actual

RECRUITING IMPROPRIETIES

Mr. MURTHA. I have seen a number of articles like this one that appeared in the *Hartford Courant*, a Connecticut paper where many recruiters use fraud to sell their services.

Are we getting that under control? For instance, in the survey, it said most recruiters believe that improprieties do occur in their recruiting command. Only nine percent said never.

These are the folks out in the field that deal with this problem every day and I am sure they wouldn't admit that they were involved in any improprieties themselves, but it seems to me that is an awful high figure.

Now, are we by shortening the work hours increasing the impropriety rate, or how have you dealt with that?

General WHEELER. We have placed our recruiters in a market where they can achieve success, primarily in the high school senior and the graduate market in the upper 50 percentile. That is item 1.

Number 2, we have provided for the individuals both a tie-in level and headquarters to ensure that we are looking at a preventive measure of precluding improprieties as opposed to take a reactive stance.

Mr. MURTHA. Did somebody say that your attrition rate was much less this year than it was before?

General WHEELER. Yes, sir, but that has been a trend throughout the latter part of the eighties and that is a long-term investment as far as saving dollars is concerned.

Mr. MURTHA. That has nothing to do with the improprieties?

General WHEELER. Not necessarily, even though we check as a preventive measure the attrition that occurs from our subordinate units.

That is one of the signals that we might have a problem and we are checking that.

TRACKING THE RECRUIT

Mr. MURTHA. The Marine Corps has a program where they were able to follow the recruit, and that is how they picked up the improprieties at Pittsburgh. Do you all have that?

General WHEELER. Yes.

Mr. MURTHA. So if somebody doesn't fit in, you know who recruited that individual?

General WHEELER. Precisely.

Mr. MURTHA. Mr. Miller.

REDUCING ACCESSIONS

Mr. MILLER. Thank you, Mr. Chairman.

General, I have a listing of expenses for recruiting for each one of the Services, and it seems right now that we are going to be bringing back troops from Europe, Japan, and Korea. I know it is not your direct responsibility as to how many will be brought back, and how many released, but I would like to at least get your thinking on the impact of force reductions—and it may again take a little time to realize the full impact, but this coming year we should have quite a few returning to the U.S.

My thinking is that we should have a surplus at that time in the United States, and if we have a surplus we are going to be moving some of them out, maybe shortening the time of their contract. But, by the same token, as we have these coming back, why do we need the level of recruiting that we had in the past years, not only at that level, but I see by the budget the recruiting budget is up.

Could you give me a little background on how you feel about this? I will have to say from the beginning, I have talked to Dick Cheney about this and to quite a few people that came before the committee. It just appears we don't want to be taking people in the front door and at the same time, moving people out the back door. And it is costing us quite a few taxpayers dollars to get them in the front door, as you well know.

Could you give us some understanding of your thinking as to where are we going? At the present time there will be many people that see we will be cutting back, that we will have troops returning from other lands to the United States and moving them out of the military, but they will also see the recruiting office across the street from where they live and they wonder why are we doing that when we are having problems getting the people out at the same time? It is as if the right hand doesn't know what the left hand is doing.

Can you give us some idea of your thinking on this?

General WHEELER. I will lead off from the Army. First of all, sir, we all are going to be experiencing a continuation of a youth decline that started in the eighties. That youth decline is going to continue through 1994. What that means to us in recruiting is that our job and that of our recruiters is going to be increasing difficulty as we progress at last through the first half of the nineties.

The second point is that the retention behavior that we are going to see, at least in the Army, is an unknown to us. While it is true that there will be policies that will be implemented to bring that force down that you mentioned, sir, it is an unknown with respect to what effect that is subsequently going to have on the force as a whole.

If I could use an analogy, we in the Recruiting Command are nothing more than a carburetor of the Army's manpower engine. In other words, we are the leveler, if you will, to fill the requirements, depending upon what other personnel policies are implemented for the remainder of FY 1990, and for that matter, 1991 through 1993.

The third point is that very much like the Air Force, we have done, as part of this committee's guidance, a national market analysis that suggests to us very strongly that we are going to have to be moving certain stations from certain locations in the country towards the Southeast and the Southwest and Southern California. We will be doing that during the period of time starting in FY 1991. To do that, we have a slight increase in our advertising budget to provide the opportunities and options for all Americans, regardless of whether we have recruiting stations in certain portions of the country or not, the opportunity to serve in the green uniform.

Admiral McKINNEY. Your point is well taken, Mr. Miller.

With regard to the Navy, I would state that our cutbacks are not that dramatic. The pull-back from Europe and Japan is really not a Navy issue. We do look at the manpower and manning of ships and ships are planned to be reduced, but during the buildup of the eighties, the Navy built up their manpower strength only to man the ships, not to man the shore installation. So at the time we were building a Navy of the eighties, trying to reach the 600 ship Navy, which we never got to, the increases in manpower were primarily all going to ships.

As a result, this had an impact on our sea-shore rotation and today's sailor faces four years of sea duty before he gets three years ashore, which is well over the goal of three years sea duty, three years shore duty.

So, as we see a drawdown of the Navy in terms of ships in the next few years, there will be a concomitant drawdown of manpower, but only from the ships, and that is not a dramatic decrease. The decrease in our recruiting quota this year is only 7,000 or 8,000. We don't anticipate a significant change in the next few years.

Navy recruiting, over the last several years, in order to make the numbers to bring in enough to keep the ships manned, has had to take some significant quality cuts. Last year we recruited 12 percent mental group four, and ten percent non-high school graduates. That is the lowest quality of all four services. As we see a reduction in our recruiting goals, our emphasis is to increase the quality of accessions. So next year we are shooting toward a five percent mental group four and 95 percent high school diploma graduates.

Higher quality dictates the level of involvement that Navy recruiting has to have and forces the budget to where it is. I think we are properly budgeted to shoot toward the quality market we want in the next few years.

General BROWN. We know that force structure reductions are on the horizon. We feel that we must go cautiously in cutting back on the recruiting service. The market is getting much tighter and with inflation, it will cost more to recruit that quality guy we recruited in the past.

We can't always tie end strength reductions to accession requirements. The Marine Corps quota is up this year by 1,400 over last year, and our fiscal year 1991 projections show us up 1,600 over what we are assigned for this year. Our force is a relatively junior force, and we need to keep bringing people in at the bottom of the pyramid to prevent stagnation at the top.

If we leveled out at a 180,000 Marine Corps versus 197,000 today, it would only require us to recruit 250 less accessions per month than at the 197,000 level. So we need to go cautiously on the fund cutting, sir.

General SALVADORE. Sir, I begin by saying that the Air Force is at its lowest recruiting level in the history of the Air Force—36,000—but I should add, and I think I deeply understand your point, why let people out and bring people in the front door?

I think the Air Force, through a prudent backoff in the number of accessions—we have taken an early release program—has managed its reductions thus far. I don't know what the reductions will be in the future. Our force structure and end strengths and attrition will dictate future accession requirements.

As a point of principle, I would add that reducing accessions to zero would produce very dysfunctional consequences in the active duty force with respect to promotions and quality of life, and a future with respect to the NCOs and the officers we want to bring up through the force structure for our Air Force of tomorrow.

We have a training plant and recruiting force to think about and if you stood those down, they would be very difficult to gin up again.

It is a complicated matter, but your point is well taken, sir.

ASSIGNING ACCESSION GOALS

Mr. MILLER. I hear in other committees and on the House floor about the programs that will be increased, many of them social programs, and when I ask the question where are you going to get the dollars, the reply comes back, "out of the military." We are going to have quite a battle as to where the dollars will come from for those programs, because they are anticipating that the Army, the Navy, the Air Force, and Marines will all be at a lower end strength level, and it will not pay to recruit.

I am wondering, what is the mechanics of what we are talking about when it comes to recruiting? You receive a figure from someone as to how many people it will be necessary to bring in. How do you go about that? Can anyone give me a concise answer on that?

General WHEELER. Yes, sir. We take whatever mission we are given from the department. We break that down, using essentially a mathematical model, but I sit down quarterly with each of our battalion commanders, take all their concerns—economic, social and geographical, into consideration and award the mission and mission out whatever the Army's requirements are going to be.

Admiral MCKINNEY. With regard to the Navy, the absolute number is an important one, but again, quality is an important issue too. When we start recruiting to whatever the number the Navy gives us, we strive to get the best quality. When we start falling short of the number, we start taking lower quality, and that is what has happened in the Navy in the last several years.

Over the last several years, in order to make the numbers, we had to eat into our delayed entry pool. We ate into our bank account in order to just man the Navy. That is the mechanism by which we have made our numbers in the last few years.

General BROWN. We get our numbers from our manpower department, based on expiration of enlistments, attrition, and how many people we reenlist and retain. It is not always simple, because sometimes we are in the midst of making adjustments to our manpower system in order to make it more equitable, like trying to make promotions faster, we may eliminate some of the senior people at one time, which requires us to put more enlisted at the bottom of the percentage pyramid. So it is not always a simple procedure.

General SALVADORE. We are based on three factors, market, manning and environmental factors. Market to include dropout rates and ASVAB pass rates. Manning, how well a particular region of the country has been manned. Some are manned better than others. Environmental factors include propensity, the last seven to ten years of production in a given area.

That is put into regression analysis and we come up with goals for our five groups and 33 squadrons and try to make them as equitable as possible across the nation.

BALANCING ATTRITIONS AND ACCESSIONS

Mr. MILLER. As the chiefs of the recruiting area, have you held meetings with the people that would pass the information to you, thinking about the revolving door we are talking about—in the front door and out the back—have you had any opportunity to dis-

cuss this among yourselves and with those that are going to give you the information as to yes, you are right on what you are calculating for recruits, but by the same token, we cannot go that far? In other words, in the Pentagon and outside the Pentagon have you had meetings trying to resolve what we are talking about, stopping the revolving door problem?

General WHEELER. Yes, Mr. Miller.

Admiral McKINNEY. The Navy has worried a lot about it. One of the things that the Chief of Naval Personnel has focused on is attrition, people who come in and leave before completing their initial obligated service. Admiral Boorda recognized that I was working doubly hard. For every one I brought in that the Navy didn't keep—that is dropped before the end of their enlistment—I had to bring in another one. That has been a major focus in the last year within the Navy, to cut that attrition rate.

You might have read articles about the steps we have taken in boot camp to reduce the attrition rate. It is a major focus of the Navy.

General BROWN. We have had lengthy discussions in the past year about this. We are concerned about our attrition rate. It is higher than we would like it. Our recruit training mission rate is higher than we would like it. We have instituted policies to give us a better handle as far as reducing the attrition rate, and it is done. We do discuss it and are trying to address the problem of cutting down these numbers.

General SALVADORE. Sir, if I understand the question correctly, the question is letting people out at the one end and recruiting them at the other end. One of the most difficult questions that the Air Force has had to answer this year is how many people to access. I started off on 1 October and they told me that my goal was going to be 54,000.

My goal is now 36,000, and I am confident that the senior leadership of the Air Force made a prudent, reasoned judgment on how low they could take the accession level and how many people they could early release out of the United States Air Force to try to get the right beginning to produce an Air Force over the next decade that would take care of our requirements.

I think that is what you were referring to.

Mr. MILLER. That is correct. But you mentioned in the beginning your recruiting number would be 54,000 and now you have 36,000 quota?

General SALVADORE. Yes, sir.

RECRUITING AND ADVERTISING BUDGET

Mr. MILLER. Wouldn't that mean that you would have less recruiters, do less advertising, and would be able to hold the budget down some because the number did decline?

General SALVADORE. Do I have to answer this question?

Yes sir, it would imply that. But my goals for physicians has gone up from 139 in fiscal year 1988 to 199 in fiscal year 1989, to 373, so I have taken assets and put them against recruitment of health care providers.

In addition, two years ago we began recruiting for ROTC applicants. However, in the face of reduced accession levels, the Recruiting Service will give up some recruiters. About 15 percent of our enlisted recruiters will be taken off the books as of 1 October of this year.

Mr. MILLER. Very good.

Thank you, gentlemen.

Thank you, Mr. Chairman.

REDUCTION IN ACCESSION GOALS

Mr. MURTHA. A couple of inconsistencies that I run into in your testimony—one General Brown, you said that if you reduced the size of the Marine Corps by 17,000, you would still only recruit 250 less people per month, is that what you said?

General BROWN. Yes, sir.

Mr. MURTHA. How do you get to that figure, because that doesn't add up to me.

General BROWN. When we ran our model to determine what it would take to sustain a 180,000 man Marine Corps based on rank, MOS, grades, projected attrition and all the other personnel statistics, that is what it comes out to.

Remember, sir, I said that the Marine Corps is a more junior force and during the last two years we have also been doing some personal management actions which will make our pyramid smaller at the top and bigger at the bottom. So it is going to take a few more people coming in at the bottom in order to keep the strength up. We are getting stagnated at the top, our ratio of senior enlisted to junior was too high.

Mr. MURTHA. General Salvadore, you said you were recruiting 7,000 less this year and yet you used the figure, you started out the first of the year at 54,000 and now you are only recruiting 36,000?

General SALVADORE. The only question was what did we recruit in fiscal year 1989, versus fiscal year 1990, and we were goalled for 54,000, in other words the goal would have gone from 43,000 to 54,000 and instead it went from 43,000 to 36,000.

Mr. MURTHA. You will recruit 7,000 less—

General SALVADORE. Than we did last year, in 1989.

Mr. MURTHA. Mr. Sabo?

Mr. SABO. I am just curious about the relationship between end strength and recruiting.

I forget what our total end strength reduction for 1990 was—40,000?

Mr. MURTHA. Thirty eight thousand, I believe.

Mr. SABO. Around 40,000.

Mr. MURTHA. Thirty eight thousand.

Mr. SABO. It would appear that there is virtually a one for one reduction in your recruiting goals from our end strength reduction, which doesn't strike me as being right.

Those numbers are just simply for enlisted people aren't they, and not for officers? So if I add up the totals, we have a 40,000 reduction in recruiting goals which matches up with a 40,000 reduction in end strength. That would seem to indicate there is no end strength reduction out of the officers corps.

Admiral McKINNEY. If I could comment with regard to the Navy, it was mentioned earlier today that the complexity of a recruiting goal is not only end strength driven, but is also a function of your reenlistment rate or retention rate within the services and your ability to control attrition, which is a large loss from the services.

In Navy, for example, if we can control attrition, first term attrition, we can then recruit less. Or if attrition goes higher, we will have to recruit more.

So it is not simply a one for one ratio that as you decrease enlisted end strength you decrease recruiting goals. It is a function of how many people you are retaining in the Navy.

REDUCTION IN OFFICER STRENGTH

Mr. SABO. If one were to assume there is some reduction in the officers corps, then retention is up in 1990 over previous years, is that accurate?

Admiral McKINNEY. Yes, sir. In the Navy retention is up.

General WHEELER. I would go so far as to say speaking for the Army that had we not had a significant increase in retention in fiscal year 1990, we would have missed our accession targets, our end strength. We have seen the same prevail thus far during fiscal year 1990, but we face an unknown with respect to what are going to be perceived opportunities and options as a result of structure changes that we are probably going to see over the next couple of years.

We have had an extremely good year with respect to retention this year, though.

Mr. SABO. Okay.

Mr. MURTHA. Will the gentleman yield?

Mr. SABO. Yes.

UNCERTAINTIES OF CURRENT FORCE STRENGTH

Mr. MURTHA. Let me ask about that because I would think there would be a lot of instability in the service right now, they don't know exactly where they are going to be. I have had several people come in from my district talking to me about the fact that they were able to get out early and go back to school.

Isn't that going to affect the long-term recruiting if they are not sure that they will be able to stay in? Normally when they enlist they expect to be able to stay for 20 years if they want to. Is that going to affect choosing the services as a career and is it going to affect your quality?

General WHEELER. You are absolutely correct. Right now we cannot tell you what those trends are going to be in the future because when we did the build down in Vietnam we had predominately a draft-oriented force.

They are in a new area today because the soldiers are volunteers. We can only anticipate that their behavior pattern will be different than that of what we have experienced in the past.

Admiral McKINNEY. There is a great deal of concern in the Navy, a lot of concern among the sailors about what is going on with regard to the future budget decisions. Reprogramming issues

have received a lot of press in Navy journals. And as a result, the fleet knows about it, and they are watching very carefully.

Admiral Boorda has worked long and hard to come up with something that protects the active duty Navy sailor, and we are concerned about it because we need it.

General BROWN. We are concerned in the Marine Corps also. That is one of the unknowns with regard to providing assets for recruiting.

We decided to be careful and wait and see what happens before we begin to draw down the recruiting service in percentage and other assets.

Admiral McKINNEY. There is a great deal of concern. Eighty-one percent of my work force is enlisted.

Most of them know about the reprogramming problem. They saw the articles on severance pay in the *Air Force Times*. There is a great deal of uncertainty.

I am starting to get questions from educators and columnists when I go into a town, "Will there be a future for young men and women in the Armed Services?" "Is there going to be some opportunities?"

Mr. MURTHA. What do you say to them?

Admiral McKINNEY. Absolutely! There are going to be opportunities. We will be a smaller, leaner military for certain, but we are a superior power.

Mr. MURTHA. Did you tell them they will ever get 20 years in?

Admiral McKINNEY. That question hasn't come up but it is a good question. If asked, I would say, for those who want to and those who work hard, there will be an opportunity for 20 years. However, what is going on in the press right now is creating uncertainty.

Mr. MURTHA. Mr. Sabo?

Mr. SABO. No further questions.

RECRUITING SURVEY

Mr. MURTHA. Well, your survey which was just completed indicates that there has not been near the progress that you gentlemen portray in your testimony. We have a great concern about this. We understand there is instability in the field. We appreciate the difficulties you have had in recruiting. Even though it has been four or five months since the survey and it sounds like you are beginning to address the problems that we are concerned about, we sure don't see the results. We will continue to monitor what you are doing and urge you to give us any suggestions that you may want to make on helping the recruiter out in the field.

For instance, you talked about the same things I have heard, that the cost of living is so high that we have a number of people that have to be on welfare. Of course, if you do have unrealistic quotas and they are unable to make them, it means they have no family life at all.

I would guess that the rate of divorce is probably fairly high in the recruiting service. I may be completely wrong but I certainly get a lot of complaints from the families about the amount of time

that the individual, man or woman, has to spend at their job, at least that is the way it was in the past.

RECRUITING MEDICAL PERSONNEL

So we would appreciate any suggestions you have that might help. You mentioned recruiting of medical personnel. This is an area I have been personally interested in. Several years ago the Navy in particular was in disarray in medical services.

I went out to the fleet in the Persian Gulf and I thought I would hear all kinds of things about hazardous duty pay and things like that. I heard nothing but complaints about the Navy personnel not being taken care of at home in medical services and they had to go to CHAMPUS. Sometimes when questions get started in that direction they don't stop.

We kept putting money into the medical services because in the first place that is what we contracted to do and in the second place it is cheaper. CHAMPUS is much more expensive. I heard you talk about the problems in recruiting physicians.

I happened to be on a plane the other day and I started talking to another passenger. He was talking about how he wanted to go into the Navy. I said what do you do, he said I am a physician. His wife was an airline stewardess. I listened to some of the problems he had, he had been trying to get in the Navy for over a year. I couldn't believe this with all emphasis I had put on trying to get professional medical personnel into the Navy. The thing that worried me he said didn't know what to do. I told him that I saw an ad in the newspaper but the ad didn't give a telephone number. It said contact a recruiting station. That is not good advertising. He said he finally got the number of a recruiter, called the recruiter and the recruiter said that he didn't know anything about that program. I don't know if those particular type people normally call a recruiter. I would think there would be special recruiters for doctors, because I wouldn't think that the ordinary recruiter as good as he is would be able to deal with a doctor who wants to come in, wouldn't understand the rate structure or figures.

What is each of the services doing with medical personnel?

Is there anything we need to do from our standpoint?

General WHEELER. Speaking for the Army, we have specific recruiters that recruit specifically for health care professionals, mainly nurses. We do not recruit doctors from our command.

Mr. MURTHA. How does a nurse know to go to those special recruiters? Does everybody in the recruiting station know that you have those special recruiters?

General WHEELER. In the Army we have recently awarded additional what we call production points for our entire force to provide referrals. In other words, it is to all recruiter's benefit to provide referrals to the local nurses recruiter.

Generally speaking, sir, we are going to find at least one nurse recruiter in each of our 260 companies. They know that and it is to their benefit to provide referrals to the nurse recruiter.

Mr. MURTHA. Have you had success in recruiting nurses?

General WHEELER. On the U.S. Army side of the house we have. On the regular side of the house it is being increasingly difficult as a result of the nationwide nurse shortage—

Mr. MURTHA. Is that a pay problem or just a service problem?

General WHEELER. Primarily the former, and the department is addressing themselves to initiatives that we think can be increasingly attractive in the future.

Mr. MURTHA. Nurses pay is not competitive?

General WHEELER. The services have to be competitive with a dwindling market.

Mr. MURTHA. The services are not competitive with their salaries to attract nurses—is that true across the board?

Admiral McKINNEY. Yes, sir. The recently enacted law to give us the \$5,000 acquisition bonus helps to sweeten the pot for nurses.

BONUS FOR MEDICAL PERSONNEL

Mr. MURTHA. Retaining pilots, attracting people, those bonuses which I have never liked still work?

Admiral McKINNEY. That \$5,000 acquisition bonus works for nurses. The Navy has the same problem as the Army does in recruiting nurses, and I am sure the Air Force has the same one. It is a difficult market because hospitals are looking for the same people. Navy has worked hard in the student market with the candidate program approved last year to give scholarships to nurses in schools. We have a baccalaureate program that we can utilize, plus we have opened up the ROTC program to nurses. We are seeing far greater success this year than before. However, the quota continues to increase because we have to make up that which we didn't recruit last year. We are still playing catch up ball. We are still behind, and we haven't gotten there yet. Each year we have gotten close to the goal. This year it is nearly 600. When I came into recruiting two years ago, it was 250. This year we will probably only recruit a little over 500 nurses. Additionally, we recruit very hard for doctors. That recruiting effort is for experienced doctors. We get enough general practitioners through the Health Professional Scholarship Program so that the Navy is manned pretty well at the lieutenant level. However, after five years they want to leave and we have a retention problem with the mid-grade specialists.

Mr. MURTHA. I saw the same thing at Bethesda. They have so much administrative work to do, they are leaving. They want to practice medicine, and they don't want to be an administrator. Is this what you are talking about—

Admiral McKINNEY. I think a lot of the draw is the dollar. They can make a lot more money in the civilian community than they can in the military. One of the biggest dissatisfiers existing today is this perceived lack of administrative support for doctors. My recruiting effort is at the specialist level.

We are talking to mid-tour or older doctors, 40 or 50 years old, who have seen what they wanted to see in civilian life and are interested in a change. We are showing success in this market because we are giving them VIP treatment, bringing them to Washington for "in processing" at the Bethesda Naval Hospital and having our senior medical corps personnel deal with them up front

on a professional level. They go through our professional boards in Washington to see if they have the credentials we want and need.

Mr. MURTHA. Do you have a rank structure, a highly skilled doctor that wants to go into the service—

Admiral MCKINNEY. Yes, sir. He could come in as a commander.

Mr. MURTHA. Is that in the other services?

General SALVADORE. Yes, sir. The medical problem has a special place in my heart.

With respect to one of your questions, sir, medical support, the med-tech support, the administrative support, we can get bigger salaries but that technician support is very important. Physicians don't want to be administrators. General Welch has decided to add approximately 2,000 additional authorizations to the medical community to provide that support so physicians can be treated like physicians.

We recruited 650 nurses last year. We will recruit 564 nurses this year. Biomedical science corps recruiting and recruiting for other health professionals is also good.

Physicians are the number one problem. The goal is 373 this year. We foresee increased physician requirements in the future.

The health care our families get on a day-to-day basis, Air Force people perceive that they can't get into the hospital because our family practitioners, three out of every ten authorizations aren't manned.

Physician retention is poor, so the Congress did a tremendous favor last year by providing special pays. We can pay for more than we could before.

Mr. MURTHA. We have actually saved this money because they are not on CHAMPUS.

General SALVADORE. Absolutely. Military people perceive the best medical care you can get is in a military facility.

They want that. Dealing with some of the other issues, we have 334 people devoted to health professions or recruitment of which 156 are devoted to recruiting nurses.

One of the strengths of the recruiting effort in the Air Force is the fact that we have a professional medical administrator at each of our 33 squadrons as well as a nurse, in addition to a health care provider at the five groups. We are trying desperately to improve our techniques to develop ways and means to make our recruiters smarter in conveying the total value of the Air Force annuity, what is good about coming into the Air Force, no malpractice insurance, no disability insurance, no worries about overhead, a quality of life that is uniquely military, uniquely Air Force. That is tough today. We have a difficult job on our hands.

Anything that can be done to improve our ability to do that will be greatly appreciated.

ADVERTISING BUDGET

Mr. MURTHA. Let me just tell you where I see the budget going and you will, I think, see some changes in the guidance you have been given. I figure this fiscal year we are going to reduce the forces by at least 100,000 and next year it could be as high as a 200,000 reduction. What does that mean as far as advertising goes?

Can we cut down on the advertising if we start to use those kind of figures?

General WHEELER. Mr. Chairman, speaking for the Army, second only to the recruiter on the ground, the TV advertising in particular is our biggest drawing card. That does not come from surveys from our ad agency. That comes from the new recruits that enter the Army.

It may be that if we want to provide our recruiters increased quality of life that it may be an expenditure in advertising that we are going to have to be willing to pay. That is especially true as we execute the movement of some of our recruiters out of geographical areas 1990 through 1993.

Advertising is the way we are going to provide the opportunities and options for Army service.

Mr. MURTHA. Are you worried about losing quality, or that you just couldn't meet the quotas at all? Or is it a combination of both?

General WHEELER. A combination of both because the recruit in today's environment given a rather mobile society we have to have a mix of recruiters, incentive and advertising. And we think we have.

In fiscal year 1990, we are coming close to having equilibrium, if you will, between resources and missioning. I think that is one of the things we are seeing the Army being successful this year.

Mr. MURTHA. We are talking about a total of \$213 million for advertising. Is there anybody that believes we can cut back in that field and save some money here?

General WHEELER. Sir, I am sure that figure represents all services. However, that amount, what we have requested in the President's 1991 budget will not buy us the same degree of exposure in 1991 as what we are doing to have in fiscal year 1990.

Mr. MURTHA. You are going to recruit substantially less people, too.

Admiral McKINNEY. Yes, sir.

Mr. MILLER. Mr. Chairman, if you will yield.

Will we need the same level of advertising in 1991 as we have in 1990 because of the force reduction that we are talking about? I have some figures that shows that the Army has a request for \$75.7 million for advertising and it is up \$2.9 million from 1990.

General WHEELER. As I mentioned previously, to the degree that we can use a balanced approach to recruiting given the inflation that occurs in the advertising industry, we consider that to be a balanced approach, and furthermore, it is going to make the life of our recruiters easier.

Sir, consistently we are asking the new recruits that enter the Army precisely what was the catalyst that brought them to recruiting station. Second only to our Army recruiters is TV advertising.

I might also add, sir, that \$10 million of the \$75 million figure that you indicated is for ROTC, not United States Army recruiting commands, so \$10 million of that \$75 million is for ROTC.

Mr. MILLER. We have information regarding a Rand study made of Army advertising and it indicated that the most cost effective advertising was nationwide magazines and newspapers, and that radio and TV, as I understand, were lower on the list as far as re-

cruiting and what was spent per recruit that came in because they had heard or saw a picture in a magazine or saw this display on the TV.

General WHEELER. Our latest new recruit survey would suggest a different appraisal. If memory serves, 49 percent of the new recruits were prompted by a field of recruiter, in the high 30th percentile were prompted by paid television, and in the 20th percentile level, were friends and media.

What do we make of that? I think that today the young men and women of America are watching more TV than they are reading.

Mr. MILLER. In other words, you made a study after the Rand study that showed altogether different figures?

General WHEELER. That is based on surveys from the young men and women that we access.

I might add, Mr. Miller, that we can reach a much, much greater population with TV than through print media. All do not subscribe to magazines or to hometown newspapers, but we can reach them through TV.

Mr. MILLER. I guess maybe it is good that we convey the message of what we have heard to our colleagues on the House Floor; if we would take this bill after markup to the House Floor with the increase in advertising, we may get cut far more than if we made a cut here, because there are people just waiting for this Defense bill to come out to the House Floor.

Mr. Chairman, if I might, I have another question. We were talking about recruiting physicians, and do we not have a lot of physicians in the Services now that are paying back their responsibility for what was given or paid by the government for their schooling?

Admiral MCKINNEY. Yes, sir, I think you are referring to the Health Professional Scholarship Program where we do give them a scholarship to go on to medical school. That is our primary input of junior doctors who are just out of medical school, interns. That does not apply to nurses; it is only for doctors.

Mr. MILLER. We were talking a minute ago with the Chairman about how hard it was to recruit physicians.

Admiral MCKINNEY. Yes, sir.

Mr. MILLER. Could you give us some idea in the Navy, for example, how many recruits are paying back their scholarships compared to how many you had to recruit?

Admiral MCKINNEY. Well, as I indicated, virtually all the junior officers, lieutenants, because that is the rank they assume when they come into the service as physicians, are out of the colleges.

I don't have a feel for how many that is a year so I can't help you there. I can provide that information for the record.

[The information follows:]

As of February 1990, the total end strength was 4,007 physicians on board. For FY 1991, the Medical Corps accession plan as included in FY 1991 Presidential Budget are as follows:

AFHPSP—363

USUHS—55

Direct Appointment—113

Recall—30

Recruiting and recall goals are adjusted as necessary on a regular basis upon attrition/retention behavior and attainment of recruiting goal for previous fiscal year.

Appointees from AFHPSP and USUHS will begin paying back obligated time for their scholarships.

Admiral McKINNEY. My recruiting quota is up around 250 physicians this year at the more senior level, specialists. Their specialties range from cardiac surgeons to dermatologists to whatever specialty the Navy needs that we have not developed within the Navy. These are the more senior people that we are looking for.

I don't have a feel for how many are coming in at the junior level versus how many I am trying to recruit.

Mr. MILLER. Mr. Chairman, I would like to ask each Service to provide for the record how many physicians they now have and how many physicians need to be recruited this coming year, under the 1991 budget, and also how many of those are again paying back their responsibility because they were able to be in medical school under military programs. If we could have that for the record from each, I would appreciate it.

[The information follows:]

Army: The United States Army Medical Department currently has 5,255 physicians serving on active duty. Based upon projected attrition rates, the Army will have a requirement for 639 physicians to be brought on active duty in 1991. Of this requirement for 639 physicians, 373 are projected to be Army Health Professions Scholarship Program students, 62 Uniformed Services University of the Health Sciences students and 26 Reserve Officer Training Corps medical delay students. These 461 Medical Corps officers will enter active duty with active duty service obligation incurred because of their participation in these various programs. The remaining 178 physicians must be recruited as direct accessions to active duty in the Army during 1991, under the 1991 budget.

Navy: Physician gains to active duty are from several sources. In FY 1990, 447 physicians will graduate from Medical School and access into the Navy from the Armed Forces Health Professions Scholarship. Fifty-five physicians will graduate and access into the Navy from the Uniformed Services University of the Health Sciences. The above physicians will be paying back a service obligation for training. Navy Recruiting Command will recruit 189 physician specialists for direct appointment and recall those who owe no obligation for training and a total of 353 new Armed Forces Health Profession Medical students who will graduate from Medical School in the following years: 67 in 1992, 145 in 1993, and 141 in 1994.

Air Force: As of 27 March 1990, the Air Force had a physician strength of 3,929; of these, 2,397 (61 percent) have a medical training obligation. We will need to recruit 232 physicians during FY 1991. These recruits will not have an Air Force training obligation. We will also gain physicians from two primary training programs: The Armed Forces Health Professions Scholarship Program (AFHPSP) and the Uniformed Services University of the Health Sciences (USUHS). In FY 1991, we project 373 AFHPSP and 47 USUHS physicians will enter active duty.

END STRENGTH REDUCTION

Mr. MURTHA. I am trying to get a mix of how much money we can cut and I am not getting anywhere here. I am running into a mental block in my own case, I think.

If you had 17,000 less people per year, you used a figure that actually you would recruit only 250 less per month. Tell me how you get that figure.

General BROWN. When we compute the expected enlistments over the next few years, when we compute our non-EAS attrition, when we compute our recruit depot attrition, these things add up to the number of people that we need to input.

Mr. MURTHA. It sounds like you are saying you have substantially less retention.

General BROWN. No, sir. Our retention is running about the same this year as it has the last few years. That amazed me, too.

Mr. MURTHA. It doesn't add up.

If you lose 17,000, it seems like—you don't lose 17,000, if you reduce your goal. I would like to see an expansion of that for the record so I could understand what we are talking about here.

General BROWN. I will provide that for you, sir.

[The information follows:]

AN END STRENGTH REDUCTION OF 17,000 REDUCES MONTHLY ACCESSION
REQUIREMENT BY 250

The Marine Corps, in studying various end strength reductions, examined a decrease of 17,000 which, as shown below, would lead to just 250 fewer accessions per month. With a 17,000 end strength reduction, accession requirements would return to approximately 32,000 per year after the end strength reduction is effected. That is only 3,000 less than current average, annual requirements. Even with an end strength loss of 17,000, the decrease in recruiting requirements is relatively small. Simply, end strength reductions do not mirror accession requirements. In this case, accession requirements would drop only 8.6 percent.

Fiscal year 1990 end strength	197,000
Projected end strength (17,000 reduction)	180,000
Projected enlisted end strength (less 18,000 officers)	162,000
Percentage of Marines on 1st enlistment ¹	×.594
Number of Marines on 1st enlistment ¹	96,228
33 percent of first term force needs to be replaced each year ^{1,2}	×.33
Projected accessions for 162,000 enlisted end strength ¹	32,076
Average number of accessions over past 3 years	35,089
Delta per year	3,013
Delta per month	251

¹ Statistics have shown that with an average term of enlistment of 4.4 years and a career force of 40.6 percent, 33 percent of the first term enlisted force needs to be replaced each year. The calculations assume that historical end of active service (EAS) and non-EAS attrition will remain unchanged. First term enlistees will either be separated before EAS, reenlist, or leave at the end of their enlistment.

² Additional reductions in accessions would be made to effect the drawdown of strength. Reduced accessions below the "steady state" roughly outlined above, would be temporary in nature and only last for the duration of an end strength drawdown.

Mr. MURTHA. What Mr. Miller says is absolutely true, we are going to have a hard time this year explaining to people if we are cutting 100,000 troops, why advertising recruiting dollars are the same.

I understand the argument about quality and trying to change the emphasis of where recruiting goes, but we are actually saying is what the overall recruitment per year for all the Services, 200,000? So in 1991 it is supposed to be 267,000, so it will go to 167,000.

I am just making a projection which may not be true, but there is no way I can see we can reach the Gramm-Rudman-Hollings guidelines which the other committees have given us without cutting personnel. It is such a large proportion of the budget.

I was right last year exactly with the number we cut out, and I anticipate again that that is what will happen this year, in 1991; if we recruit 100,000 less, recruiting could go down.

Can you tell me how much the budget would go down by, how much we could reduce if we lost 100,000 troops? Give me that for the record because I know that you won't be able to give that

figure offhand. Give me an answer for the record so I will have some indication, as we are going through this budget, this is an area where we can cut back.

Advertising I think you ought to look at particularly. I realize what you are saying, that advertising is important, but look at the whole range of services and give me a model that says if we recruit 100,000 less people, what would it mean to the recruiting services.

Admiral MCKINNEY. Navy advertising—

Mr. MURTHA. Let me go back. This is important, obviously, and I don't know how we are going to do this, because the Army is going to have to take more of a cut because it is so much larger. This is a real problem. I have given you the assignment, yet I haven't broken it down for you.

Let me see if we could figure out what the cuts would be for each service before you answer the question. I will send you a letter with some projection of what the cuts would be individually. Give me an idea so you could give me a projection.

TELEVISION ADVERTISING

Admiral MCKINNEY. With regard to Navy advertising, this is the first year we have been on television in the last couple of years and it is very important for Navy to get back in front of the public on television. I couldn't agree more with General Wheeler's comment that television is the critical issue to the youth, that is what they see, that is what they absorb and that is what is important to them.

Mr. MURTHA. You were not on television before?

Admiral MCKINNEY. In 1988, we had three weeks on television, no television in fiscal year 1989, and we just got back on television in fiscal year 1990. Our budget is \$28 million roughly, sir.

Mr. MURTHA. Has it made any difference?

Admiral MCKINNEY. Yes, sir. I think a big part of what we are seeing in Navy success now is the fact that we now have an ad campaign that has changed dramatically the Navy image. Our message today is "you and the Navy full speed ahead."

We can now advertise the college fund which allows us to compete in the market with kids interested in going to college. I think Navy is seeing a dramatic resurgence in our recruiting effort because of advertising.

Navy didn't have an image among today's youth, particularly the youth in middle America. They don't know about the Navy, and any way we can get Navy in front of them and let them see what is available for them is a great opportunity for us. Television advertising is so important.

RECRUIT TRAINING

Mr. MURTHA. Do those sneakers out of boot camp make any difference?

Admiral MCKINNEY. You will have to ask Admiral Boorda because he made the decision. I think the orthopedic problems that we were seeing in boot camp caused by the boon dockers the kids were put into immediately, have dropped dramatically.

Mr. MURTHA. I was talking to somebody in the British Army not long ago and they have two different shoes. They issue a shoe that is much softer initially. I understand what you are talking about. It is just the feet, you break the feet in, is what you are talking about before you put them into heavier shoes.

Admiral McKINNEY. Precisely.

TELEVISION ADVERTISING

General WHEELER. If I could share something that might be helpful as we go about deciding on advertising budgets in particular there is a mother of six, single parent, New York City, Brooklyn, New York. She was fixing dinner one night for her six kids, heard the Army, "Be all you can be," and the offer of \$22,200 Army college fund on television. She indicated that she knew her son was smart enough to go to college, but she couldn't afford to send him. She wrote us a letter saying, "Talk to my son about the Army." We did. He is in the Army today and we also acquired another young son as well.

The point being that TV is powerful. It can penetrate homes and markets that cause increasing stress as we approach a declining youth pool, which is going to continue. But it is a very, very powerful tool, sir. It gets to those homes for those who might not be as advantaged as others, and in all candor, with the opportunities and options we have today with your continued support, we can end up with the best Services we have had as one of the plusses that is going to pull out of the restructuring of the Defense Department.

Mr. MURTHA. Are you saying you won't be able to make the goals or it won't be the same quality?

General WHEELER. I am not saying either; that it will be more difficult for our recruiters because of the penetration TV can do for us.

Mr. MURTHA. Even with a 40,000 manpower cut in the Army?

General WHEELER. That will not all come out of accessions. If we are looking at it from a strictly MPA standpoint, the chances of our mission going up are very, very real.

We do not know today the behavior pattern that our force is going to take after the policies of the hearings that are ongoing right now. My mission next year, as it stands today, is actually going to be 3,000 greater than my mission as of this morning exists for fiscal year 1990.

I mentioned that the Army's mission is 92,000 this year. Next year we are programmed to do 95,500.

Mr. MURTHA. That is without a 100,000 cut.

General WHEELER. That is correct. Take a 1 percent decline in retention, our retention standards changing, that could cause a 5,000 swing either way in our mission.

Mr. MURTHA. So what you are really saying is that you always have to recruit and you have to get rid of people in order to maintain the balance in the Service, so you will always have to recruit and it will have to be large numbers so you will have to have some money for advertising?

General WHEELER. Precisely. The Marine Corps indicated that they look like a pyramid. The Army does, too, sir, large at the bottom and smaller at the top.

General SALVADORE. The Air Force projects recruiting 36,000 youngsters next year. It will be a function, as my Army colleague says, of attrition, retention and how the force reacts. We are projecting 36,000.

If I could just talk about Air Force advertising a bit, I would like to echo everything you have heard on the value of advertising. Ninety percent of the kids going into basic training say they have seen Air Force advertising.

Mr. MURTHA. What kind of advertising?

General SALVADORE. All forms. It includes the Thunderbirds and direct mailing.

Mr. MURTHA. What is the percentage you spend on television?

General SALVADORE. We don't spend any money on television. We spend about \$1 million for three or four public service announcements per year.

Mr. MURTHA. So the Navy has \$33 million, Marine Corps \$17 million, the Air Force has the lowest budget, and you spend none on television?

General SALVADORE. We spend \$1 million producing public announcements and we estimate documented showings of \$5 million in PSAs.

Mr. MURTHA. What about the Army?

General WHEELER. I will give you the specific number for the record.

Mr. MURTHA. Let's have it from each of the Services, what you spend on television advertising.

Mr. MILLER. Mr. Chairman, could we break that down a little further and show what we are spending on television, and I am sure you people have the information without doing a lot of research. Also what we spend on radio, what we spend on national magazines, and then what we spend on newspapers. If we could have that for the record, I am sure it will help us.

[The information follows:]

ARMY

During Fiscal Year 1989, the Army spent \$110,335 producing Public Service Announcements [PSA]. PSA air time is monitored and reported by the Broadcast Advertisers Reports [BAR] under contract with the Joint Recruiting Advertising Program [JRAP]. During the period July 1988 through December 1989, BAR reported that the market value of Army aired PSA's was worth a little over \$1 million in equivalent media broadcast time.

Actual recruiting value was less than implied by that figure because many PSA airings were adjacent to children's programming or on stations with poor Male 18-24-year-old audience profiles. Recruiting value of PSA's are further limited because stations will not air messages which sell recruiting benefits or contain a "call to action."

During Fiscal Year 1989, the Army spent approximately \$27,020,000 on television, \$9,488,000 on radio, \$8,585,000 on national magazines and \$2,828,000 on newspaper advertising, respectively, from Operation and Maintenance, Army [OMA] authorizations. These dollar expenditures include all advertising production costs, media time, and operating expenses associated with the respective medium used. Additionally, the Army Reserve spent approximately \$2,832,000 on television, \$4,686,000 on radio, \$4,259,000 on national magazines, and \$1,825,000 on newspaper advertising, respectively, from Operation and Maintenance, Army Reserve [OMAR] authorizations.

During Fiscal Year 1990, the Army will spend approximately \$22,850,000 on television, \$10,609,000 on radio, \$8,637,000 on national magazines, and \$3,107,000 on newspaper advertising, respectively, from Operation and Maintenance, Army allocations. The Army Reserve will spend an additional \$954,000 on television, \$5,090,000 on radio, \$4,502,000 on national magazines, and \$2,888,000 on newspaper advertising, respectively from OMAR allocations.

NAVY

Navy's total advertising expenditures (actual/planned), for the fiscal years and media listed below, include media costs and supporting labor and production costs.

[Dollar amounts in thousands]

Media (planned)	Fiscal year 1989 (actual)	Fiscal year 1990 (planned)	Fiscal year 1991
TV	5,417	13,264.0	14,720.0
Radio	2,354	1,219.0	2,151.0
Magazines	2,704	2,785.8	2,278.0
Newspapers	3,397	3,200.8	3,456.6
Navy total	13,872	20,469.6	22,605.6

MARINE CORPS RECRUITMENT ADVERTISING EXPENDITURES BY MEDIA TYPE

Marine Corps recruitment advertising supports total force recruiting which includes active, reserve, officer and enlisted components. The Marine Corps carefully plans its media expenditures to develop the most effective media mix. Advertising money must be wisely placed to ensure that these different types complement each other and work synergistically. Broadcast media (television and radio) is our most cost effective means of reaching large numbers of our target. Young males spend approximately 25 hours weekly with broadcast media compared to 1.5 hours with print media. The following is a cost breakdown by media type for FY 1989:

[Dollar amounts in thousands]

Television	\$3,351
Radio	1,391
Magazines	1,092
Newspapers	363

AIR FORCE

The breakdown of advertising by media type in dollars and percents is as follows:

[Dollar amounts in millions]

	Total budget	TV	Radio	National magazines	Newspapers
Fiscal year:					
1989	\$14.8	\$1.0	\$2.2	\$3.9	\$1.3
Percent		6.8	14.9	26.4	8.8
1990	\$16.0	\$9	\$1.7	\$3.9	\$1.4
Percent		5.6	10.6	24.4	8.8
1991	\$15.3	\$1.0	\$1.8	\$3.6	\$1.4
Percent		6.5	11.8	23.5	9.2

It should be noted that no television air time is purchased. The television funds are production costs for public service (free) advertisements only.

The remainder of the advertising budget is used for direct mail and collateral materials.

Mr. MURTHA. Any other questions, Mr. Miller?

Mr. MILLER. No additional questions.

Thank you.

Mr. MURTHA. Thank you very much, gentlemen.

The committee adjourns until 1:30 today.

[CLERK'S NOTE.—Questions submitted for the record and the answers thereto follow:]

RECRUITER SURVEY

Question. In the report accompanying the fiscal year 1990 DOD appropriations bill, this Committee expressed concern over the recent instances of recruiting improprieties. It is the Committee's opinion that much of the responsibility for these improprieties lies with the undue pressure placed on recruiters to meet recruiting goals. The Committee directed the Services "to conduct a thorough review of recruiting practices to reduce the risk of future improprieties and to reduce the pressures that led to these improprieties * * *." Service policy is to increase recruit quality to the highest achievable levels, without considering recruiter workloads. With lower accession goals and decreased need for large numbers of units with high readiness levels resulting from changes in Europe, isn't it time to hold recruiter workloads at a reasonable level and allow recruit quality levels to edge down to the levels the Services identified as desirable in their 1985 report to the Congress?

Army answer. Our goal is to recruit the highest quality soldiers possible, given the recruiting environment, market factors, and available resources. However, it is simply not the case that we "bleed our recruiting force dry" to achieve improved quality marks: recruiter workload is, in fact, a key consideration in the missioning process. One good measure of recruiter workload is the contract write rate—the number of contracts per month per authorized recruiter that we mission the force to write. By this measure the recruiter workload has in fact remained fairly stable over the past several years at approximately one quality contract and two total contracts per recruiter per month. Of course, these average write rates vary by region of the country in accordance with market factors.

Navy answer. While recent events in Europe portend changes in defense policy, it is not certain that they have significantly reduced the Navy's worldwide mission. The assumption that the Navy can accept lower readiness requirements because of these events is not supported by Navy operational requirements. Ships at sea must maintain a high level of readiness.

In the 1985 report to Congress, Navy reported minimum average recruit quality requirements. The Navy is exceedingly more complex today with the introduction of new, high technology ships such as the Aegis cruiser. As the Navy builds down during the 1990's the ships leaving the fleet will be the older, less sophisticated ships. Recent studies conclude that increasing the percentage of high school graduates would significantly reduce first term attrition, leading the Navy to increase its high school graduate goal to 90 percent. The studies showed that first term attrition rates for non-high school graduates is double the high school graduate attrition rate. The increased cost to recruit 10 percent more high school

graduates is more than offset by the savings realized in the resulting decrease in attrition.

Air Force answer. Because of programmed lower accession goals and adjustments in recruiting markets, we have been able to reduce recruiter workload. The recruiter will now have the opportunity to concentrate on bringing in the higher quality airmen the Air Force needs. These higher quality levels are needed because of the technical levels required in many Air Force specialties. Also, with smaller accession levels, it is more important than ever that the people we recruit be able to complete training and quickly become productive members. High quality recruits will enable us to meet these objectives.

Marine Corps answer. As every Navy and Marine Corps witness has pointed out to Congress this year, our mission is not affected by changes in Europe. Our recruit quality level is what's necessary for readiness and is established independently of the recruiter resources necessary to achieve it. If we should need a smaller Marine Corps, each Marine will have to do more, and do it better. Lowering quality levels is not the way to maintain that readiness. Higher quality ensures less disciplinary problems, successful completion of training, rapid assimilation of duties and responsibilities, less attrition, and higher readiness. If a smaller Marine Corps is necessary, it should consist of high quality Marines who will serve as the basis and structure to expand the Corps in time of need. For information, our 1985 accession quality requirements are still good; if we have to decrease accessions, we will not compromise on quality.

The way to ease the burden on recruiter workload is to fully fund recruit advertising, and provide an end-strength that lets the Marine Corps meet its readiness requirements and still provide the number of quality recruiters to meet this demanding mission. The Youth Attitude Tracking survey shows that the uninformed, quality individual we want is least likely to join the Marines, but advertising creates an awareness that makes that individual twice as likely to enlist.

Question. General Salvadore, about 30 percent of your recruiters believe they lack sufficient market to achieve the goals you have assigned them. What are you doing to fix this problem?

Answer. By October 1, 1990, we will have reduced the number of non-prior service recruiter authorizations by 15 percent. This will increase each remaining recruiter's market proportionally. In addition, we have redistributed recruiter authorizations across the country to better align our personnel with market production potential. This shift in manpower was accomplished after a by-country analysis of historical market productivity and will provide each recruiter with a market that will support assigned recruiting objectives. As a result of this manpower realignment, recruiters will carry goals between 30-36 per year in zones which have produced more recruits per year in the past.

RECRUITING IMPROPRIETIES

Question. What are the five most frequent kinds of impropriety in which members of your command are involved?

Army answer. The five most frequent types of allegations of recruiting improprieties in which the Army recruiting force was involved for FY 1987 through FY 1989:

- (1) Concealed police record.
- (2) False promise.
- (3) Concealed medical information.
- (4) Applicant not completely qualified for enlistment or enlistment option.

(5) Use of false or falsifying official documents. These types accounted for over 80 percent of the total allegations for FY 1987 through FY 1989.

Navy answer. Navy Recruiting uses 38 different categories of impropriety. The five most frequent categories are listed below:

Category	Fiscal year—							
	1987		1988		1989		1990 (Oct-Mar)	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Police record.....	34	4.8	46	18.3	32	42.1	25	43.1
Medical.....	9	3.9	14	5.5	12	15.8	7	12.1
Drug Usage.....	7	3.1	3	1.2	2	2.6	4	6.8
Falsified.....	113	49.3	44	17.5	3	3.9	5	8.6
Education.....								
Procedural.....	11	4.8	83	32.9	7	9.2	1	1.7
Errors.....								
All others.....	55	24.0	62	24.6	20	26.3	16	27.5
Total substantiated malpractice.....	229		252		76		58	

Air Force answer. During the past year, the most common kinds of recruiter misconduct were: First, willful failure to comply with directives (34 cases); second, improper applicant relationships (12 cases); third, driving while intoxicated (8 cases); fourth, misuse of resources such as telephones, vehicles, et cetera (7 cases); and fifth, drug abuse (4 cases).

Marine Corps answer. While recruiting improprieties do occur, it is important to realize that they occur on a frequency of less than one percent of accession requirements. The five most common type of recruiting improprieties are: (a) Failure of the recruiter to properly report the applicant's involvement with drugs or other illicit substances. (b) Failure of the recruiter to properly report the applicant's involvement with law enforcement officials. (c) Failure of the recruiter to properly report the applicant's medical or physical condition. (d) Failure of the recruiter to properly report the applicant's education qualifications. (e) Failure of the recruiter to properly report the applicant's dependent status.

Question. What do you consider to be a court martial offense for a recruiter?

Army answer. The U.S. Army Recruiting Command, like the rest of the Army, normally limits court-martial to felony or serious military offenses. Minor or misdemeanor offenses are handled administratively or under Article 15 of the Uniform Code of Military Justice. Recruiting improprieties usually are handled administratively since recruiters normally have the potential to continue serving honorably in their original military occupational specialty. During 1989, nine recruiters were tried by court-martial. Charges included use of illegal drugs, submission of false travel claims, disrespect, disobeying a lawful order, conspiracy, theft and other serious offenses.

Navy answer. Pertinent court-martial charges under the Uniform Code of Military Justice for recruiter malpractice include the following:

a. Article 84; effecting unlawful enlistment, appointment, or separation.

b. Article 92; failure to obey an order or regulation. Some examples involving violations of the Navy Recruiting Manual are:

(1) Fraternization with prospects or DEPPers (persons in the Delayed Entry Program)

(2) Misuse of government vehicles

(3) Dereliction of duty

c. Article 107; making false official statements.

A listing of all courts-martial of Navy Recruiting personnel tried and convicted for recruiting violations from 1987 through 1989 follows.

General Courts-Martial 1987: None.

General Courts-Martial 1988: 1. Effecting unlawful enlistment, conspiring to effect unlawful enlistment, coaching on ASVAB, failure to verify documents, and false documents.

General Courts-Martial 1989: None. Total General Courts-Martial 1987 through 1989—1.

Special Courts-Martial 1987:

1. Effecting unlawful enlistments.

2. Effecting unlawful enlistments and forgery.

3. False Records.

Special Courts-Martial 1988:

1. Failure to escort applicant to MEPS.

2. Attempt to effect unlawful enlistment, false document.

3. Fraternization.

Special Courts-Martial 1989:

1. Effecting unlawful enlistment and fraternization.

2. Fraternization.

Total Special Courts-Martial 1987 through 1989—8.

Summary Courts-Martial 1987: 1. Effecting unlawful enlistment, conspiring to effect unlawful enlistment and fraternization.

Summary Courts-Martial 1988: 1. Fraternization.

Summary Courts-Martial 1989: 1. False NRD LEADS database.

Total Summary Courts-Martial 1987 through 1989—3.

Total Courts-Martial 1987 through 1989—12.

Air Force answer. Any violation of the Uniform Code of Military Justice can be grounds for court martial. However, there were only two recruiters courts martialed in FY 1989. One was for drug abuse identified by random urinalysis. The other case involved an im-

proper relationship with an applicant. When determining whether a recruiter should be court martialed for a given offense, the severity of the offense(s) is the primary determinant.

Marine Corps answer. Any violation of the Uniformed Code of Military Justice could be considered a courts martial offense regardless of whether the Marine is a recruiter or not. Normally, offenses are handled by non-judicial punishment (NJP), however, aggravated cases often result in courts-martial proceedings. Each offense against the Uniform Code of Military Justice is considered on a case-by-case basis.

Question. Given the large number of incidents investigated in the past three years, it appears that either some recruiters are subject to multiple investigations, or many recruiters can expect to be investigated at some point in their tour as a recruiter. What percentage of your recruiting force has been subject to more than one impropriety investigation?

Army answer. In FY 1989 the U.S. Army Recruiting Command experienced its largest number of allegations of recruiting impropriety, 2,039. A total of 2,296 recruiting personnel were involved in pursuant investigations. Based on the initial FY 1989 recruiting force throughout the year, 17.9 percent of the force were involved in a single impropriety investigation. An additional 3.3 percent of the force were involved in more than one investigation.

Navy answer. Percentage of recruiting force with more than one impropriety investigation: FY 1987: 7.85 percent; FY 1988: 7.99 percent; FY 1989: 8.53 percent; FY 1990: 2.96 percent.

Air Force answer. Less than one-half of one percent of our recruiting force was the subject of more than one investigation. Approximately 565 investigations were conducted in the past three years. Of these, only eight recruiters were investigated more than once.

Marine Corps answer. Our records indicate that 12.5 percent of our recruiters have been the subject of more than one inquiry into a recruiting impropriety. In that regard, 1 percent of our recruiters have been the object of a substantiated inquiry into a recruiting impropriety.

Question. Does a record of a substantiated impropriety investigation preclude a recruiter tour extension or a move to a leadership position?

Army answer. It depends on the severity of the offense. If it is determined that the offense committed is minor, then the recruiter should not be precluded from extending his/her tour or move to a leadership position. On the other hand, if the impropriety is serious as determined by the chain of command, then the recruiter will be relieved and processed for reassignment out of USAREC in accordance with AR 601-1, paragraph 5-6.

Navy answer. In almost all cases, substantiated malpractice results in the individual recruiter being transferred from recruiting duty and precludes future reassignment. Occasionally, an individual recruiter who is involved in a substantial malpractice case is retained in recruiting, but only if the case was of a minor nature and the performance of the recruiter is otherwise outstanding.

Air Force answer. Yes integrity within our recruiting force is absolutely essential. Accordingly, there is no room for those who can

not or will not maintain the highest standards. Any substantiated impropriety results in the recruiter's relief from recruiting duty with no possibility of an extension or move to a leadership position.

Marine Corps answer. Allegations of recruiting improprieties (recruiting malpractice) that are substantiated result in relief of the recruiter. Consequently, in these cases tours are not extended and moves to recruiting leadership positions do not occur.

Question. General Brown, the Marine Corps also had a major recruiting scandal in Pittsburgh recently. Has the Marine Corps instituted any changes to preclude this type of incident from reoccurrence?

Answer. Yes. The recruiting improprieties which were occurring in our Pittsburgh station over a year ago were in fact uncovered by our quality control system. The effectiveness of our checks and balances were highlighted during this period when they revealed that improprieties were occurring. The failure in integrity and leadership that was the case in Pittsburgh is, however, an aberration. In response to the Pittsburgh situation, the Marine Corps reviewed its quality control system and in general found it to be satisfactory. Consideration is being given to increasing the manning of quality control billets which would allow for closer scrutiny of quality control indicators. Other measures the Marine Corps has taken since Pittsburgh occurred follow:

a. Inspected all Marine Corps Recruiting Stations and Military Entrance Processing Station Liaison Noncommissioned Officers. No significant problems or adverse trends were discovered during this effort. Inspections continue, with each recruiting station being surveyed at least twice annually.

b. A structure analysis was conducted to ensure equitable distribution of recruiting requirements.

c. Training programs were expanded to include emphasis on integrity and ethics.

d. With the assistance of the House Appropriations Committee the Marine Corps was able to employ additional advertising which eased the burden of the recruiter and contributed to accomplishment of the mission.

e. Lessons learned from the Pittsburgh incident served as a basis for improving our quality control program.

COMMANDER'S VISITS

Question. Visits to the field provide important first hand knowledge of the recruiting climate, and also identify trends that probably would not come across the commander's desk. How often do you visit with your recruiters out in the field?

Army answer. Since assuming command on 1 June 1989, approximately one third of my time has been spent visiting recruiters in their recruiting stations. This does not count quarterly conferences when I meet with all battalion commanders and Sergeants Major; nor does it count Delayed Entry Program (DEP) functions, speak-

ing engagements for Centers of Influence; meeting with local educators, or special events which include recruiter contact. The 33 percent of our time spent with recruiters is directly face to face with them. Additionally, my two Deputy Commanding Generals spend approximately 50 percent of their time visiting recruiters in the field.

Navy answer. I average approximately five to six days each month in the field dedicated specifically to visiting recruiters and their facilities. Whenever it's cost effective, I also visit recruiting stations and districts during other scheduled trips and events.

Air Force answer. With more than 1,800 recruiters, assigned to about 1400 different locations, I do not have the opportunity to visit these NCOs as often as I would like. However, I do spend about 40 percent of my time in the field. These visits allow me an opportunity to communicate with recruiting personnel and address the issues that are important to them, their families, and the Air Force. In addition, the Recruiting Senior Enlisted Advisor, who is the senior recruiter and has worked his way from field recruiter through the various management positions, is in the field on a weekly basis supporting the needs of the recruiters. Our training team, as well as other staff members travel extensively in support of the morale and training needs of the field recruiters. In addition, we have subordinate commanders and senior enlisted advisors at the five recruiting groups. These individuals spend about 60 percent of their efforts in the field ensuring the needs of the squadrons and recruiters are fulfilled. We also have 33 squadron commanders and superintendents. These key squadron level managers know their people by their first names (an average size squadron is 70-80 assigned people) and are in tune with their needs and their problems. These individuals spend 70 percent of their time training and working with individual recruiters to make the recruiter's life as productive and worry free as possible.

Marine Corps answer. My goal is to visit every district once a year and as many recruiting stations as I can during that period. Since assigned as the Director Personnel Procurement for the Marine Corps in January 1989, I have visited every district and talked to recruiters from each of 48 recruiting stations. Thus far in FY1990, I have met with all recruiting station commanding officers, visited 4 districts and met with recruiters in 14 of the 48 recruiting stations. Approximately half of my time is spent visiting echelons of the recruiting service. Through these visits I am able to stay tuned-in to the concerns and problems faced by our recruiters. As a result, I am in a better position to influence policies and take corrective action.

Question. Do you feel that your recruiters can honestly express their concerns to you?

Army answer. Yes. When we spend time with them, and they are put at ease (which we attempt to do), I believe that they can and do express their concerns. Additionally, we make a concerted effort to provide means by which recruiters and their families can air their concerns. We maintain a 24-hour "Commanding General's Hotline" on which anyone can call to have a concern or problem addressed. I also maintain a liberal "Open Door" policy through which any member of the command can address issues with me. Other institutional programs for surfacing concerns, such as our Inspector General Forum, are well established. Commencing in May 1989, family support group conferences were initiated; these included expressing their concerns, and they do just that. In May 1990, a second annual

family support group conference was held, and spouses provided direct feedback to me on what is most on their minds.

Navy answer. Yes. My recruiters speak very openly about their problems and their professional and personal concerns. I make every attempt to be as non-threatening and open as possible during my visits to the field. I have taken a survey of my recruiters last year which drew an impressive response of over 93 percent. It allowed them to candidly express their thoughts of recruiting via multiple choice selections and handwritten responses. I have personally read and evaluated each and every response, taking action on many of their suggestions. In addition, whenever I visit my stations, I am not accompanied by a Commanding Officer or Chief Recruiter. Only the immediate supervisor in the chain of command, up to Zone Supervisor, is present. I believe that this encourages the recruiters to speak their mind on issues of concern.

Air Force answer. Yes, I make it a point to meet with as many recruiters as possible when I'm in the field. They often discuss their concerns with me as I travel throughout the command, and my staff works with enthusiasm to resolve problems and evaluate the field recruiters' suggestions. Recruiters also have frequent personal contact with their squadron and group commanders where they are free to discuss their concerns fully.

Marine Corps answer. I can unequivocally yes. When I am talking to a group or an individual recruiter, I go to great lengths to encourage questions and concerns. I simply do not depart until I know they have gotten everything off their chest.

Question. What are the most frequently heard complaints?

Army answer. This year, the most frequently heard complaints predominantly concern health care and housing. While this will vary depending upon geographical area, CHAMPUS is of great concern to the military members. Housing, especially in the northeast, southern California, and all metropolitan areas, is also a major issue for recruiters and their families. In this regard, a review is ongoing to provide government leased housing for recruiters and their families in high cost of living areas.

Navy answer. High cost of living in their area; Variable Housing Allowance is insufficient. Good medical care or CHAMPUS is inaccessible in their region.

Air Force answer. The most frequent complaints our recruiters raise are concerns over quality-of-life issues. The lack of adequate housing at a cost they can afford is their most frequent complaint. The complaint is typically a function of location. It is much less expensive to live in South Carolina than in Los Angeles, San Francisco, New York, or any large metropolitan area. Recruiters located in high cost areas face significant problems—high housing costs, large medical payments associated with inadequate CHAMPUS reimbursements, requirement to pay for privately-owned vehicle parking/tolls, and significant cost-of-living increases associated with the nonavailability of normal base support facilities (commissary, base exchange, etc.).

Marine Corps answer. Recruiters primarily want more advertising and recruiting giveaways. They express concern about the high cost of living as opposed to their on-base counterparts as well as

the long working hours. They also express a number of innovative ideas that are often constrained by resource limitations.

Question. Do your recruiters provide you with constructive suggestions? How do you provide feedback to the recruiters when action is warranted?

Army answer. Recruiters provide very constructive suggestions. Recently, a recruiter in Newburgh, New York, recommended an increase in production points for those who provide Regular Army Nurse referrals. That suggestion was evaluated and action taken within 30 days. This particular recruiter, as well as others throughout the command, received feedback via implementing message within 30 days. Additionally, I had the opportunity to thank the recruiter for the suggestion in May 1990 face-to-face. When I assumed command a year ago, we began a program of providing positive feedback to all successful recruiters on a monthly basis. As a result, approximately 625 congratulatory notes are sent each month to extremely successful recruiters. Additionally, top USAR, RA, and Nurse recruiters in each recruiting battalion receive both a note and an autographed photograph.

Navy answer. Yes, recruiters have provided numerous constructive suggestions and comments during my visits to recruiting stations and districts across the country. Their suggestions have contributed to better work efficiency and utilization of personnel assets thereby enhancing their quality of life. Many of our recent initiatives are directly the result of recruiter verbal input and the Navy Recruiting Survey of March, 1989.

On issues that require immediate implementation or dissemination Navy Recruiting uses an electronic mail system which is linked down to the district level. Another excellent forum to communicate with the recruiters' and their families is our "Recruiter" magazine which is literally read from cover to cover by our field recruiters. Finally, each of the departments at the headquarters issue news letters to the field which address their new initiatives and plans.

Air Force answer. Yes, suggestions made by recruiters have caused us to make significant changes in our automated booking procedures, as well as the system we use to provide and document training. Many of the changes we made during the recent reorganization of the Air Force Recruiting Service were based on the recommendations of our recruiters. Recruiters have a number of ways to provide constructive suggestions. For example, the Air Force Suggestion Program, Inspector General Complaints Process, personal letters, and phone calls. Responses are provided through the same channels. During field visits, all commanders and supervisors solicit suggestions and comments from the recruiters and look for ways to improve the recruiting process. We have taken their suggestions and used their comments to improve Recruiting Service on a number of occasions. Feedback is provided to recruiters in a variety of ways including policy changes, inclusion in the Recruiter newspaper and other information bulletins that are distributed through Recruiting Service.

Marine Corps answer. During my visits I will inevitably gain a number of excellent ideas from recruiters. Their recommendations cover a wide spectrum, including ideas for delayed entry program

functions, sales techniques, advertising, and mementos. Recruiters also bring up many issues unique to Marine recruiters. For example, a recruiter raised a problem we had concerning a regulation which limited enlistment of Reservists into the Regular Marine Corps. We corrected the problem in less than 48 hours. I always bring questions back with me to Headquarters Marine Corps. They are disseminated to the appropriate staff sections and I forward the answers back to the recruiters via the districts. Depending on the subject, I frequently call the recruiter personally with the response. Oftentimes a suggestion is applicable Marine Corps wide, and once adopted, appropriate dissemination is made.

CATEGORY IV'S

Question. The Services categorize recruits according to their mental capabilities. Category I being the highest mental group and IV, the lowest. General Wheeler, the last major review of Service recruit quality requirements was completed in 1985. It was a 3-volume report titled "Defense Manpower Quality" which was subsequently submitted to the Congress. In that report, the Services established a desired ceiling for the share of Category IVs for the late 1980s. The Army was 10 percent and the Navy identified a target of 12 percent. I understand that the Army's goal for fiscal year 1990 is to recruit no more than 4 percent Category IVs versus the 7 percent you took in last year. What difference will a 3 percentage point reduction in Category IVs make? Is recruit quality the limiting factor on combat readiness?

Army answer. Yes, recruit quality is essential to combat readiness and combat success. We as an Army are only as good as our individual soldiers, and the evidence is overwhelming that quality soldiers perform better than non-quality soldiers in a variety of situations and for a wide range of simple and complex tasks. The January 1990, Report to the House Committee on Appropriations entitled: "Joint-Service Efforts to Link Military Enlistment Standards to Job Performance" states: "For example, we can, with a great deal of confidence, expect only about 20 percent of the lowest ability (Category IV) group to perform as well as the average high ability (Category I-II) person." Moreover, the report also states: "the low-ability group's performance lags behind the high-ability group's performance, no matter how many months of on-the-job experience have accrued." Any reduction in the number of Test Score Category IV soldiers we are able to achieve—such as the reduction seen this fiscal year—makes a difference down the road for the Army in terms of increased trainability of the force, reductions in discipline problems, and ultimately the combat readiness of the Army. Additionally, less stress on the part of the recruit is involved in recruiting applicants in the higher test categories since the latter population can qualify for more positions. TSC IV applicants' assignments in the Army are limited.

Question. How much more does the Army plan to spend in recruiting and advertising resources to reduce the proportion of Category IV recruits to 4 percent?

Army answer. The following expenditures are planned:

a. An additional \$3 million for incentives. That is \$1 million in Army college Fund and \$2 million in Enlistment bonus spread across 2,500 additional I-III A contracts.

b. Advertising is a fixed cost within the relevant expected range of recruiting missions. An additional 2,500 I-III A contracts do not force the recruiting objective into a higher relevant range and should not require additional advertising funds.

c. An additional \$1.2 million in recruiter support.

Question. In the same report, the Navy said it wanted no more than 12 percent Category IVs. Why are the Army's quality requirements so much higher than the Navy's?

Army answer. We in Army recruiting are not in a position to compare the relative quality requirements of the Army and the Navy. However, we are convinced that quality soldiers are the essential element to the lean, flexible, combat ready force that we envision for the Army of the 90's. And so it is our intent to recruit the best quality force we can, consistent with the recruiting environment and our recruiting resources. It's a question of getting the greatest return for our recruiting dollar. Our Army and our country can settle for nothing less.

Question. Will the recruiters have to work harder to recruit fewer Category IVs? Will this add to more pressure?

Army answer. In the short run, it is indeed more difficult to recruit quality soldiers; therefore, at any given level of recruiting resources and activity, recruiters do have to work harder to achieve a lower proportion of Test Score Category IV recruits. Our quality soldiers are signing up for longer tours, have lower attrition rates, and are more trainable than the soldiers we recruited just a few years ago. We are convinced that improving the quality of our soldiers is our single best investment in the Army of the 90's—a cost-effective hedge which provides us the flexibility to adapt to the uncertainties we face in the future Army structure. And we are confident that the incentive options that the Congress has made available to our recruiters to assist in attracting high quality recruits—along with the generally lower missions that we have been assigned for this year—will enable us to continue to improve our quality marks without adding undue pressure on the recruiting force.

Question. Are you all accepting GED graduates (non-high school diploma grads)?

Army answer. Yes, we have enlisted 2,020 individuals with a GED this fiscal year which represents 2.32 percent of our total accessions. Each year we accept a small number of individuals with a GED; however, our research is clear that the high school diploma graduate is more likely to complete basic training and advanced individual training, and far more likely to complete the first term of service than the individual holding a GED certificate.

Navy answer. Yes, however, under the DOD Tier system the General Education Development (GED) holder is considered a Tier II candidate. Tier I's are bona fide, traditional high school diploma graduates, while Tier II is the GED or other equivalency type holder. Tier III's are non-grads who have achieved no other alternate credential. Currently we are limited to 10 percent of our accessions in Tiers II and III. Statistics have proven over the years

that non-high school diploma graduates will attrite at nearly twice the rate of a bona fide high school diploma graduate. In these statistics, GED holders are considered non-grads. In fiscal year 1989 we accessed 3,690 recruits with GED's. This accounted for approximately four percent of our annual accessions. So far, in this fiscal year, we've accessed 1,421 GED diploma holders, accounting for approximately six percent of our accessions.

Air Force answer. Yes, for fiscal year 1989, the Air Force enlisted 376 GED/non-high school graduate applicants. As of April 9, 1990, a total of 234 applicants (171 GED and 63 non-high school graduates) have reserved jobs for this fiscal year.

Marine Corps answer. Yes, but only to a limited extent. Statistics continue to substantiate that the high school graduate is our best single indicator of successful completion of an initial enlistment. As a result we limit GED holders and non-high school graduates to 4 percent of our initial accessions.

APPROACH TO FUTURE FORCE REDUCTIONS

Question. Prior to recent events in Europe, accession objectives were slated to decline about 15 percent between fiscal year 1989 and fiscal year 1991, yet recruiting resources requested are increasing. Many experts project a reduction in the size of our active military forces of 30 to 50 percent over the next few years. With these projected force structure reductions and continuing budgetary constraints, further cuts in both accession levels and recruiting resources seem inevitable. In anticipation of such reductions, what changes are being made in recruiting programs and resources?

Army answer. The Command is currently evaluating recruiting programs and resources requirements in light of future mission reductions, focusing on the number of recruiters, recruiting stations, recruiter support costs, and costs for meals, lodging, and transportation (MLT) for applicants. MLT is our only budget account that varies directly with the mission.

However, mission reductions do not necessarily mean a lesser workload for our recruiters. The shrinking youth population and the continuing emphasis on quality will require even greater efforts by the recruiting force, and the resource to support those efforts. Another factor to consider in determining the resource levels for recruiting is the need to continue to improve the quality of life for our recruiters.

Navy answer. Navy's manpower strategy for the future is based on three principles which are in harmony with the expressed will of Congress: (1) end strength exists to support requirements at sea; (2) complex Navy systems demand trained and experienced operators and maintainers; and (3) future Navy readiness is a function of the quality of the recruit we bring in today. Recent events in Europe have not significantly reduced the Navy's worldwide mission. The Soviet Union continues to develop a larger, more technologically capable blue water navy and regardless of the momentous and positive events in Europe, we remain an island nation dependent on maritime services to support our economic and foreign policies. Most of the ideological and cultural issues that have historically created worldwide conflicts still exist. In the last 40 years the

Navy has responded to 190 world crisis situations, but only ten of them were the result of East-West conflicts. It is clear that naval forces have been the most acceptable form of military presence and response in crisis situations.

Navy end strength reductions should be the result of decisions to reduce the force structure because of reductions in the Navy's worldwide missions. The date, mission and force structure reductions in the range of 30 to 50 percent have not been projected for the Navy. Therefore, it is premature to speculate what changes in recruiting programs and resources would be made in support of such reductions.

Air Force answer. Changes to recruiting resource levels cannot be made based upon anticipated reductions in requirements. Once accession requirements are known, appropriate changes in resource requirements will be made.

Marine Corps answer. Present plans do not envision end strength reductions of sufficient magnitude to warrant a decrease of recruiting programs and resources. Although we know force structure reductions are on the horizon, now is not the time to dismantle our recruiting capabilities. Simply, recruiting requirements do not always mirror end strength changes. Moreover, attracting quality applicants from a declining youth population with lucrative employment and educational opportunities remains a challenge to our recruiting effort. Attracting and retaining high quality youth will be even more important in the smaller forces of the future. We should look upon any reductions as an opportunity to reduce the recruiting workload and not the assets, thereby permitting a reasonable quality of life for recruiters.

Question. What is the potential for recruiting resource savings in fiscal years 1991-1993, and what would be the impact upon primary Service missions of implementing these suggestions?

Army answer. Our resources for MLT will go down proportionate to any mission reduction. As previously indicated, a number of other factors will influence resource levels other than just mission. However, it is anticipated that the fiscal year 1991-fiscal year 1993 missions will in fact be slightly higher than the current fiscal year 1990 mission.

Question. Consolidating Service recruiting commands?

Army answer. We anticipate some savings in economies of scale for communications, recruiting facilities and minor savings for structural overhead. The missions of the four Recruiting Services are sufficiently different that it would not be practical to realize large savings in recruiters and support personnel.

Question. Consolidating Service recruiting and ROTC commands?

Army answer. Adding the ROTC mission to the active recruiting mission would be a very difficult mission to assume. Active recruiters are currently in more than 18 thousand public high schools and in thousands of two and four year colleges in recruiting high quality service members. To add an additional recruiting mission in thousands of colleges and universities would over extend the management structure of the recruiting service.

Question. Concentrating recruiters in those low to moderate cost areas where recruiters have historically been successful?

Army answer. The effect of this proposal would reduce financial hardships for many recruiters; however, it would deny thousands the opportunity to join the Armed Forces. These high cost areas have produced thousands of fine enlisted service personnel. We have allocated our recruiters based on the market. To create a void in these markets also could have an adverse impact on our ability to meet mission. Additionally, this realignment of recruiter personnel will effect a disproportional representation of enlisted personnel throughout the country.

Question. Contracting with civilian recruiting firms for specialized recruiting (e.g., physicians)?

Army answer. USAREC does not recruit physicians and it does not believe it practical to recruit nurses from civilian firms. Civilian recruiters would find it difficult to maintain product knowledge (constant enlistment criteria changes) and would lack credibility of uniform, which connotes a satisfied customer.

Question. Ceasing acquisition of all new recruiting offices and renewal of leases immediately?

Army answer. This would put additional strain on the recruiting force. It would mean cramming recruiters into smaller numbers of recruiting stations. Additionally, over time, a large majority of recruiting stations would have the recruiters mal-positioned for the market place. With the shifting market and stations remaining in place, this would have the net effect of longer commuting time for the force and longer work hours. Also, it means that recruiting stations could not be relocated from drug and crime infested neighborhoods and puts recruiter safety at risk.

Question. Cease all contract analysis and research in support of recruiting and advertising activities?

Army answer. This would produce short term savings and would cost resources in the long run. Lack of research would mean that our recruiters would be mal-positioned in the recruiting market and we would lose the insights gained from research that has increased the advertising effectiveness. Two most important tenets of total quality management (TQM), as exemplified by Motorola Corporation and other world class firms, are that:

a. You must retain a significant investment in research and development.

b. You must ensure that the "long view" approach rather than the "short view" is considered in reducing costs and maximizing profits.

Question. What is the potential for recruiting resource savings in fiscal years 1991-93, and what would be the impact upon primary Service missions of implementing these suggestions?

Navy answer. The advantages and disadvantages of consolidating the active and reserve recruiting functions have undergone considerable study, particularly in the last year. Attractive though the idea is of a single command prospecting for all non-prior service (NPS) accessions and administrating the entire recruiting function, study has shown this to be a costly and unworkable concept. First of all, funding for the reserves is totally separate from the rest of the Navy. Secondly, in a goal driven operation, as recruiting must be, it is impossible to equitably serve two masters. Although the primary target of the reserves is the veteran (NAVET), there is a

dire need to maintain a steady input of quality NPS, specifically for construction and primary care medical ratings, to insure the reserve force mix necessary to meet the total force manning requirements. This need puts the reserve recruiters in direct competition with the regular recruiters for the NPS market as well as for management support for the recruiters. In such a situation, the reserve program has not traditionally fared well.

There have been considerable changes made in the last year in the overall recruiting infrastructure to avoid the long term problem of competition while conserving manpower and resources. Although the Naval Reserve Recruiting Command is now set up to run as a mirror image of the Naval Recruiting Command, all manpower planning is now consolidated in one office. Within Military Entrance Processing Station (MEPS), classifiers are shared whenever loading requires. Reserve recruiters have been collocated with active duty recruiters wherever possible to maximize the Navy image, minimize market overlap, increase dual access to the NPS market, and establish a system for passing on referrals. This dual command system, as now established, has proven to be more advantageous to both commands missions, and has not significantly increased manpower or resource needs.

Question. Consolidating Service recruiting and ROTC commands?

Navy answer. Navy recruiting and Navy ROTC are already consolidated at the initial procurement point. CNRC is responsible for the recruiting of ROTC candidates, as well as the processing of the candidates' packages for review by Chief of Naval Education and Training (CNET), where final selection is made. However, the functions and mission of the NROTC commands are totally dissimilar to those of recruiting. NROTC commands are academic, teaching environments, providing a four year collateral education to an affiliated college or university, and therefore must fall within the auspices of CNET, vice recruiting.

Question. Concentrating recruiters in those low to moderate cost areas where recruiters have historically been successful?

Navy answer. Over 85 percent of the Navy's recruiters are assigned to low to moderate cost areas. They produced 86 percent of total new contracts for FY 1989 and FY 1990 and 87 percent of the highest quality new contracts for the same years, indicating a good match-up between recruiting resources and production. The Navy is currently conducting research to develop an improved model for optimal recruiter allocation under financial and/or accession constraints. This research was initiated last year out of an interest in the possibility of even further efficiencies. Further work is necessary before shifting recruiters to ensure marketing and policy issues are addressed.

One unresolved issue is whether recruiter relocation, if copied by all services, would actually decrease productivity in those low cost areas due to increased competition. A second issue involves whether the basis for such action should be total productivity, quality productivity or some combination of both. Each has the potential to result in a different recruiting force structure. A third issue is the changed socioeconomic representation in the force structure that may result from concentrating recruiting in only certain areas of the country. The fourth issue involves the fundamental question of

the extent to which access to military recruiters, and therefore a military career, will be restricted on the basis of geography and recruiting costs.

The implementation of a program of revised recruiter allocation would optimally occur over several years. This would allow an orderly transfer of recruiters, careful selection of recruiting stations to be downsized, closed or opened, and the smooth transition of supporting operations to match the new recruiting structure. Therefore, potential efficiencies would start out small, and increase over the course of the program.

Question. Ceasing acquisition of all new recruiting offices and renewal of leases immediately?

Navy answer. The Navy, like the other services, obtains its recruiting offices through the DOD Recruiting Facilities Program. Following the specific space criteria for Recruiting facilities in DOD Directive 5160.58 of 21 March 1986, space is leased for all Services' Recruiters by the Army Corps of Engineers. Only the space requirements of our authorized number of Recruiters (basic allowance) are considered. Funding, therefore, must be sufficient to cover the existing lease payments, plus what it takes to maintain and repair them. It is essential for successful recruiting that our offices be maintained in first-rate condition.

In fiscal year 1991 approximately \$90 million will be required to pay for existing leases. Theoretically, given that the Navy's share, based on square footage, is 25 percent of that, and of that, approximately 20 percent of our leases are up for renewal each year. Navy Recruiting Command could save \$4.5 million each year if it ceases to renew leases. However, since the number of recruiters is anticipated to remain relatively constant for these years due to Navy's emphasis on "quality," all current leases must be maintained. There is no "fat" in our recruiting facilities program. Additionally, since there is no demographic lease cycle, (i.e., leases are let for various terms across the country), the probability exists of closing many of our most productive stations in the first year.

With respect to ceasing the acquisition of new recruiting offices, very few "new" offices are opened. Rather, we relocate existing offices from one suburb or town to another in order to follow the prospective market: roughly four percent needs to be relocated annually to stay in tune with market shifts. The relocations carry with them no net growth of square footage. To stop new/relocated Navy offices could, in theory, save approximately \$1.1 million in one time set-up costs each year. But, the Navy's recruiting success is very closely tied to being in the most lucrative markets.

Ceasing the acquisition of all new recruiting offices and renewal of leases immediately would be devastating to the mission of the Navy Recruiting Command.

Question. Contracting with civilian recruiting firms for specialized recruiting (e.g. physicians)?

Navy answer. This proposal has been considered on a periodic basis, and it has been concluded that the only way a physician recruiting firm could be of assistance would be in the initial advertising and prospective phase. The use of a recruiting firm would involve paying a finders fee for a prospect, as well as a placement fee of approximately \$15,000 per physician ultimately commissioned.

The actual hiring procedures for placing a physician in the Navy as a Commissioned officer are governed by Federal law, SECNAV instructions, credentialing regulations, etc. As is already true with civilian health care facilities who use such firms for locating eligible and interested applicants for their vacant positions, the requirements for processing, evaluation, selection and appointment would still remain in-house. All evaluations have led to the conclusion that hiring a civilian firm for physician prospecting would result in additional expenditure of money and time, rather than a savings.

Question. Cease all contract analysis and research in support of recruiting and advertising activities?

Navy answer. During the 1980s, the Navy conducted little or no contract research and analysis in support of recruiting and advertising activities. The research effort was small scale with minimal staffing and a essentially non-existent budget. This, along with the lack of a long-term research plan resulted in a program that was short-term, fragmented and did not provide the necessary information required for the successful functioning of the Navy Recruiting Command. Without proper research and analysis to support recruiting and advertising activities, the Navy Recruiting Command was unable to identify the factors which influence the enlistment decision, the techniques to optimize recruiting support and advertising and the technologies to enhance the recruiting efforts.

After the lack of a viable research and analysis program was identified by two studies of Navy recruiting, Navy developed a comprehensive recruiting research and development program which is presently being administered by the Navy Personnel Research and Development Center. The program is providing the necessary tools to focus Navy recruiting and advertising efforts in the most cost effective manner. While a modest savings could be realized in fiscal years 1991-1993 by ceasing all contract analysis and research in support of recruiting and advertising, this saving would be more than offset by the inefficiency and lack of focus which would result by canceling the research and development program. Without contract research and analysis, Navy recruiters would be placed in jeopardy of missing their recruiting goals, because, in the end, the impact of poor planning would fall directly on the recruiters. They would be misaligned with their target market and poorly informed about market attributes. In addition, a lack of understanding and focus in the advertising program would further reduce the effectiveness of Navy recruiting.

Question. What is the potential for recruiting resource savings in fiscal years 1991-93, and what would be the impact upon primary Service missions of implementing these changes?

Air Force answer. While it is true that some recruiting requirements are declining, it is also true that recruiting market conditions have become more difficult, new recruiting programs have been added, and some recruiting objectives have increased. The recruiting target market (17-21 year olds) has declined 22% in total size since 1979. The increased recruiting difficulty associated with this decline in population tends to offset the reduced accession requirements. The overall result is that recruiting, even at lower accession levels, is more difficult today than in the past. Competition

in this shrinking marketplace has also increased nationally from civilian industry and colleges.

The health professions programs, in particular physicians, will experience significant growth in requirements as the Air Force seeks to increase the capability of military medical treatment facilities. This program will increase by a factor of two, yet additional resources were not received, which requires resources be shifted from other programs. The increased requirements for medical personnel is necessary to curtail continued budget overruns in CHAMPUS, due in part because our people cannot get appointments in understaffed Air Force hospitals. Known physician requirements have doubled in the last year and will exceed 350 each year for the next three years. We have been unable to achieve our physician objectives the last two years at current resource levels—it is unlikely we can achieve a physician goal twice as large with fewer resources.

Due to a planned reduction in accession levels, Air Force Recruiting Service will reduce recruiter manning by 226 in fiscal year 1991. This action provides recruiter strengths sufficient for needed market coverage at programmed lower accessions levels and enough recruiting resources to support recruiters. It should be noted we have continuously lost ground to inflation; for example, our advertising has lost 40 percent buying power over the last five years. We see very little room for reducing further our FY91-93 advertising budget without compromising our history of success with the all-volunteer force.

Question. What is the potential for recruiting resource savings in fiscal years 1991-1993, and what would be the impact on primary Service missions of implementing these suggestions?

Marine Corps answer. In many ways the Services are already a consolidated recruiting command. We have joint recruiting facilities, the same source of vehicles, a degree of joint advertising, and joint processing stations. Additionally, Service recruiting commanders at all echelons meet regularly to coordinate recruiting operations. Moreover, the Marine Corps recruiting program is already a total force recruiting effort which consolidates procurement of officers and enlisted, Regulars and nonprior service Reserves under one organization. We believe that further consolidation would jeopardize the quality of our accessions and increase first term attrition to unacceptably high levels. Marine Corps training is physically and mentally tough. We feel that greater unification of recruitment efforts would seriously dilute the quality of training and preparation which our enlistees currently benefit from as a prelude to recruit training. Furthermore, consolidating Service recruiting commands would encroach on the Commandant of the Marine Corps (CMC) responsibility for the quality of Marine forces assigned to Unified Commanders.

Question. Consolidating Service recruiting and ROTC commands?

Marine Corps answer. Since the missions and functions of recruiting and ROTC commands are so different we are unable to foresee any potential savings from consolidating these organizations.

Question. Concentrating recruiters in those low to moderate cost areas where recruiters have historically been successful?

Marine Corps answer. Recruiters are assigned to areas based on past results and demographic considerations. As demographics and results change, the areas where recruiters are assigned also change. This is a dynamic and ongoing process. For example, based on ongoing market studies, recruiters are routinely reassigned from nonproductive areas. Fundamentally, recruiters are assigned to areas where we have been historically successful and where we continue to succeed. Consequently, we do not foresee any potential savings from this initiative.

Question. Ceasing acquisition of all new recruiting offices and renewal of leases immediately?

Marine Corps answer. In the case of the Marine Corps, present plans do not envision end strength reductions of sufficient magnitude to warrant a decrease of recruiting programs and resources to include recruiting offices. If this initiative were adopted, the effect would be costly and traumatic. It would be costly to relocate recruiters and without sufficient office space the recruiters would not have a place to work. The Marine Corps has no intention of increasing the offices currently available to recruiters. If recruiting requirements are sufficiently reduced, the number of recruiting offices could also be reduced. Because of the serious adverse effects that this initiative would have on recruiting operations, we do not recommend that it be considered.

Question. Cease all contract analysis and research in support of recruiting and advertising activities?

Marine Corps answer. In the case of the Marine Corps, present plans do not envision end strength reductions of sufficient magnitude to warrant ceasing analysis and research in support of recruiting and advertising activities. This proposal is tantamount to conducting a military operation without the benefit of intelligence. If this initiative were adopted, intelligent decisions regarding the allocation of resources, assignment of recruiters, and mission tasking would not be possible. Recruiting operations would be seriously undermined, precious resources would be used inefficiently, recruiting results would deteriorate, and the quality of life of recruiters would suffer. Without analysis and research the recruiting service would be operating in the blind; more dollars would be wasted than saved. Since the absence of valuable market information would have such a devastating impact on recruiting, adoption of the proposal is not recommended.

[CLERK'S NOTE.—End of questions submitted for the record.]



WEDNESDAY, APRIL 4, 1990.

NATIONAL GUARD AND RESERVE FORCES— OVERVIEW

WITNESS

STEPHEN M. DUNCAN, ASSISTANT SECRETARY OF DEFENSE, RESERVE
AFFAIRS

INTRODUCTION

Mr. MURTHA. The committee will come to order.

We are honored to have two people here today—of course, the Chairman of the Appropriations Committee, who came down for one of our most important hearings and Congressman Bill Young's son. What is your name?

Mr. BILLY YOUNG. Billy.

Mr. MURTHA. Your Dad is a great American. We appreciate his work on this committee and for the country.

Mr. BILLY YOUNG. Thank you.

Mr. MURTHA. Mr. Whitten.

REMARKS OF Mr. WHITTEN

Mr. WHITTEN. It is nice to be here. The truth of the matter is that no nation in history has ever been able to carry the regular force that we have now continuously without the economy feeling the effects of it. In 1943 I was here when the Marine Corps turned back some money. That was a long time ago.

We are all for defense and I agree with the Chairman of the subcommittee, we have got to go slowly, because if you study the history of World Wars I and II, the world changes and trends spread. As we read the press and follow television, we see many changes in the world that could spread and are beyond our control.

If you study history you realize that any nation in peace time and in war, has to do something to see that the military people contribute to the economy. You can't keep a war time military indefinitely without affecting the nation's financial situation. I am especially proud of the Guard and Reserve and the study of history shows you are going to have to continue these organizations.

I have had quite an active part in the military since 1943. I might add that my background is quite experienced. I was here when Russia claimed the development of defense systems and we were asked to vote hundreds of millions of dollars to keep up with these developments.

In 1956, I went to Russia and traveled through the country on their airlines and the trains; Russia was not totally communist but they were under control of the communists, which is a more dangerous situation. I don't know anybody claiming they know what

Gorbachev has done—but in Russia you wanted to be a communist because you could get a government job. They had state socialism.

That is not to say that they don't have the striking force to be dangerous but the current situation there is altogether different. We are liable to be criticized at home, but I agree with Mr. Murtha and members of this committee, we are going to have to go slow, because we don't know whether the new Russia and the Warsaw Pact nations are going to end or catch on fire.

But in the long run, we need to support the Guard and Reserve. I have been proud of them and I have interceded back through the years for them when it was necessary.

The Guard and Reserve are the ones we have to look to in the future and at the present, and Congress has supported these organizations in the past when the Defense Department wanted to cut back their activities. I am here at today's hearing because of my interest, and because of my pride in the great job that you do.

One thing the active military does understand is the support and the standing of the Guard and Reserve in the various communities of this country. I have been on your side all the time.

Thank you.

Mr. MURTHA. Mr. Chairman, you have been invaluable to this committee and we appreciate your confidence and consultation with us in our work in trying to form a defense budget.

Mr. Secretary, welcome to the committee. This afternoon we are going to discuss the budget for the Reserve and National Guard. I know you were here not long ago in your other capacity as head of the military's drug effort, and we appreciate your testimony.

More and more the Guard and Reserve are going to be important. We keep stressing that as we wind down the regular forces. Because of the increased efficiency, productivity and less cost of the Guard and Reserve, we are going to have to depend on them more than ever before. So we look forward to hearing your testimony. We will put your full statement in the record.

SUMMARY STATEMENT OF SECRETARY DUNCAN

Mr. DUNCAN. Thank you, Mr. Chairman.

Let me express an early opinion. Each day I am finding that admirals and generals look younger and younger to me. I am pleased to find that the younger Mr. Young is a son of the Congressman and not a member of Congress itself.

I hope that I can respond to the interests of the committee. I would like to first explain the length of the prepared statement. The statement submitted to the committee is comprehensive. In fact, I suppose that is a euphemistic way to describe it. I did, however, try to address all the concerns the committee might have about the Reserve Forces.

I would like to set the stage for your questions—which I will be happy to respond to—by noting that the President, just a couple of weeks ago, issued a document entitled the "National Security Strategy of the United States." In the preface to that report, the President states that the report outlines the direction we will take to protect the legacy of the post-war era, while enabling the United

States to help shape a new era, one that moves beyond containment and will take us into the next century.

In a section on our mobilization base, the report states that "The United States has never maintained Active Forces in peacetime adequate for all the possible contingencies we could face in war. We have instead, relied on Reserve Forces and on a pool of manpower and industrial strength that we could mobilize to deal with emergencies beyond the capabilities of our Active units."

"For almost two decades our Total Force policy has placed a significant portion of our total military power in a well-equipped, well-trained and early-mobilizing Guard and Reserve component. Various elements of that policy, the balance between Active and Reserve Forces, the mix of units in the two components, the nature of missions given Reserve Forces—are likely to be adjusted as we respond to the changes in the security environment. Reserve Forces are generally less expensive to maintain than their Active counterparts, so, as we adjust force structure, retaining Reserve units is one alternative for reducing costs, while still hedging against uncertainties. It is an alternative we must thoroughly explore, especially as we better understand the amount of warning time we can expect for a major conflict."

I have no further opening comments, Mr. Chairman. I will be happy to respond to the committee's questions.

[CLERK'S NOTE.—The statement of Mr. Duncan is printed at the end of this hearing volume. See page 675.]

Mr. MURTHA. Almost \$16.6 billion is being requested for personnel and operation and maintenance of the Reserve components. When you include active duty personnel, procurement, military construction funds, the total is \$19.4 million.

The end strength of the Selected Reserve is 1.1 million, representing a 2.4 percent reduction from the FY 1990 authorized strength. This compares to approximately two million personnel on active duty.

OPERATION JUST CAUSE

Now, in your statement, you address in great detail how well our Reserve Forces performed during Operation Just Cause in Panama.

This committee is very proud of all the men and women who participated in this operation. As you know, I was chairman of the President's delegation to oversee the election in Panama. I went down to Panama afterwards several times. Bob Livingston was in that group with us, and we saw I think the best troops that we will ever see in our time.

But at any rate, I came back through the hospital and I was so impressed by three of the young people who had been disabled during the operation. One was a SEAL, one an Airborne trooper, and one a Ranger. They talked about how they had liberated Panama for the people who had won the election. They knew what they had done and they appreciated what they needed to do even though they would be disabled the rest of their lives.

The concern the committee has is that the Reserve participation in any contingency must rely on volunteers. I hear over and over that Presidents aren't willing to make a decision to use the call-up authority, but when we look into it, we find that the military isn't willing to ask in some cases. Talk a little about the military Re-

serve and Guard participation in Just Cause and how they did down there.

Mr. DUNCAN. My statement summarizes what they did. I included a comment made by General Thurman. They were volunteers. There was not an involuntary callup under Title 10, 673(b). The people who performed in Panama included members of the Air Guard, Air Reserve and Army Guard and Army Reserve. I have not heard the slightest bit of criticism about their performance. To the contrary, I have heard nothing but accolades about their professionalism.

CALL-UP AUTHORITY

I have inquired of General Thurman about the 673(b) authority. I am advised by our General Counsel that there has never been a recommendation by a Military Department to the Secretary of Defense to recommend to the President to exercise section 673(b), and I asked General Thurman whether it was necessary in this operation. He informed me that he needed, in his military judgment, something like 150 people that had particular skills, primarily in the civil affairs area. Civil affairs units are found primarily in the Army Reserve.

He said that he had something in the neighborhood of 2,000 volunteers, so a judgment call was made as to whether the 150 skills that he needed could be found in that pool of 2,000 volunteers. He decided that it could. He and I recently discussed the issue and he observed, that it was a close call. It is not inevitable that you can find the 150 skills you need in a pool of 2,000 and in retrospect, he might have recommended a callup. It was a close question.

We will be exploring to what extent and in what context we may need a change in 673(b). For example, it now speaks of calling up units or individuals outside of units like IMAs. In future conflicts where we need specific skills, we may want to look at a recommendation permitting the President to call up individuals within units with the specific skills that are needed.

But I am satisfied that he had all the skills he needed for Operation Just Cause.

PERIODIC CALL-UP

Mr. MURTHA. Whenever tensions throughout the world start to increase, and you call up the Reserve that increases tension even more. You might think about a program where you call up the Reserves periodically so that you have a record of calling Reserves and it doesn't force the President into a position where he hesitates to call them up because it increases tensions.

The fact that this authority has never been used concerns me. When we depend so greatly on the Guard and Reserve and they are so highly skilled—I understand in Panama, where they didn't need them, that is one thing. But the Persian Gulf, we had a hard time, because they were deployed for a lengthy period. It seems to me active duty personnel had to be cross-teamed with them in the Persian Gulf, is that right?

Mr. DUNCAN. Yes, sir. I think that was the summer of 1987.

Mr. MURTHA. You had, though, in the Persian Gulf a situation where Reserve ships were deployed with cross-decking of active duty personnel.

I wish you would look at the possibility of calling them up periodically and making those recommendations, because they are willing to go, as you saw. I think it would be worthwhile that we do it periodically so that it doesn't look like we are getting into a third world war.

Mr. DUNCAN. I endorse your idea. With respect to periodic call-ups, there has been a concern expressed by some that a calling up of Reserves somehow indicates we are mobilizing and puts fear into our potential adversaries. I am not sure I subscribe to that. There are mixed views on that subject.

In October of 1987 we had a "no notice" call-up of our Reserve Forces to find out whether they would appear. We were very satisfied with that. I received mixed advice on the wisdom of that idea along these same lines. Certainly, by exercising section 673(b) routinely, it will become a matter of routine, and be perceived to be a matter of routine.

On the other hand, we are asking a lot of our Reservists already, and there is a concern expressed about how their employers will react if we call them up for something that isn't absolutely necessary. We are trying to walk that fine line and balance the need to test them and the need of recognizing the realistic employment pressures that they experience.

Mr. MURTHA. We ought to look at that authority and see if we need to make any change to give you flexibility.

Mr. DUNCAN. Then we have the issue of operational security. I think that can be resolved. I am looking at the issue. Maybe we have some Reserve units that are needed in the first hours of a conflict. Perhaps they could work out an arrangement with their employers before that time. The employers would know that their employee is a member of a unit that would have to be called. The ones that come after the operation begins, where security is a little less, may be in a different decision. We are exploring all of those ideas.

Mr. MURTHA. Mr. McDade.

FORCE STRUCTURE

Mr. McDADE. We are delighted to have you back in front of the committee testifying on one of the most important matters that we consider. Last year, the committee added funding above the budget to provide increased manpower authorizations to restore force structure reductions proposed in the fiscal year 1990 budget. We also stated that we wanted to hold decisions on force structure reductions based solely on budgetary reasons, in abeyance until the Department of Defense study on force policy, force mix and structure required by section 110 in the National Defense Act of 1990 is received.

I think this is the third time down-sizing in the Air Force Reserve and Air Guard wings is proposed despite the congressional

add-back. What is the reason this force structure is being taken down again, Mr. Secretary?

Mr. DUNCAN. Let me approach it this way. First of all, Secretary Cheney has not shared with me what he was thinking at the time. That was his decision and he had my advice on the matter. I am active in these kinds of decisions. We have so much going on within the Department of Defense now, in the way of making immediate reductions that we have to make, and at the same time, trying to plan a strategy and a force structure for the future, that it is a very dynamic situation.

Mr. MURTHA. Would the gentleman yield? Are you saying that the Reserves are getting the same reductions as the regulars. I am not sure I follow it.

Mr. DUNCAN. I am talking about the overall Armed Forces. As we go about the planning process for this, one thing is for sure, we have not made final decisions for the Reserve forces in the out-years.

Mr. McDADE. When we add funding for manpower, and we say don't do any restructuring based on strictly budgetary needs, and yet you again proposed reductions in the manning of both the Air Force Reserve and the Air National Guard wings. How did it happen? You recommend that we do that?

Mr. DUNCAN. I am reluctant to get into my advice to the Secretary. He heard my advice on the issue and he made a decision which I have to support, and I do support it.

Mr. McDADE. Give us the background, because we see the wing down-sizing for the third time. We are constantly trying to help you by adding resources to this account, yet we see that happening. What is the reason for pulling all these units down?

Mr. DUNCAN. I am not trying to evade the question. The Secretary received my advice and made his decision. My personal view is that that decision, taken in the context of what we are trying to do for the overall force structure, is one that should not be taken too far out of—

Mr. McDADE. We share a common problem as we try to get through the build down in a proper way, but when the committee added money and said don't make a lot of structural changes in the Guard and Reserve based on affordability, and we see down-sizing of end strength occurring again in FY 1991, we are confused by the situation. We want to support the Guard and Reserve and here comes the wing down-sizing again after this committee and the Congress as a whole, added funds.

The reason that the Full Committee Chairman came today is that the Guard and Reserve are his interest. This Congress has spoken over and over again about the importance of the Guard and Reserve. We put more money in. We set the policy by making the fiscal decisions as to what happens. I can't believe what we are hearing here.

Mr. DUNCAN. I would urge the committee to look at this decision in the context of what we are trying to accomplish over the five and six year period. I have no doubts about where the committee stands. We are looking at a fast moving train here, and the Total Force Policy study is not going to answer all of those questions. We are trying to make the requirements set by the Congress and the

President in the short term even as we develop guidance to the Services for preparation of POMs which will take into account what you are saying for the future.

COMBAT SUPPORT AND COMBAT SERVICE SUPPORT FORCES

Mr. McDADE. The FY 1990 Appropriations bill provided a billion dollar add-on and provided guidance to the Department of Defense. Your statement has comments about your concern about the readiness of certain early deploying combat support and service units. Yet these forces are taken down in FY 1990. Why?

Mr. DUNCAN. Much of the readiness concern about early deploying CSS units, has more to do with the skill mismatch of those people and not having the right people in the right slots. That has become a bigger problem—

Mr. McDADE. What kind of skills?

Mr. DUNCAN. We have MOS mismatch problems that occur for lots of different reasons. First, because we keep changing the missions of Reserve units too often. We have turbulence in the capstone alignment. Reservists, being part time people, have a limited training time to begin with, and as their mission and skill requirements change, that causes a problem.

There are other reasons, such as schools designed for Active Duty people requiring several weeks of attendance—

Mr. McDADE. Are you saying that none of these early deploying combat support people have been taken down? It looks to us that you have skill requirements that are very important to early deploying forces.

Mr. DUNCAN. I try not to talk in absolutes. I am suggesting that the point of my statement referred to was an expression of my concern that for years we have had a problem with the CSS units, which happen to fall primarily within the Army Reserve.

RESERVE REPROGRAMMINGS

Mr. McDADE. I don't know that I am satisfied with what the answer to the question is. We are working in this committee to try to support the Department of Defense's request for a reprogramming for the Military Personnel accounts because of what happened there. There is no request for reprogramming with respect to the Reserves. Why not? What is the difference? It is so important for us and we are working day and night to try to solve this problem with some intransigence we find on the Hill, but looking at the Guard and Reserve they were not permitted to even submit a reprogramming. Why not?

Mr. DUNCAN. We give advice to the Secretary and he makes the call. Then we actively support it. That is my job. He is well informed and then it is his call, and our job is to support that.

Mr. McDADE. Did you recommend that there be no reprogramming?

Mr. DUNCAN. I would like to keep my advice to the Secretary between me and the Secretary. I hope you understand that.

Mr. McDADE. I recognize you are in a position where you have to support the Secretary's decision, but you are the Assistant Secretary for this account and when we ask you a question, we want to

know what your responsibilities are. We need to know, for example, if you support reprogramming for the Reserve or if you don't?

Mr. DUNCAN. My statement is rather clear on its face and that statement represents the department's position. I hope there is no doubt about the vigor of our activity on behalf of the Reserve Forces. Does that mean that the Secretary will always agree with recommendations from his Assistant for Reserve Affairs? No.

Mr. McDADE. You personally recommend that there be a reprogramming for the Guard and Reserve?

Mr. DUNCAN. I beg the committee's indulgence. I think that is a matter between me and the Secretary.

Mr. McDADE. I think you have a responsibility to tell the committee whether you favor reprogramming for the Guard and Reserve. We ask people questions like that all the time.

Mr. MURTHA. Put it another way, did they ask you to recommend a reprogramming? Was it initiated in the Guard and Reserve?

Mr. DUNCAN. I communicate with the Secretary and Comptroller and all colleagues in the Department of Defense in written and oral form, formally and informally. To my knowledge, I sit in on every major meeting where these matters are considered. He has my views on any of these kinds of matters. I assure the committee of that.

RESERVE COMPONENT AUTOMATION SYSTEM (RCAS)

Mr. MURTHA. Sometimes one gets the impression that the Guard and Reserve doesn't do a good job. We had the Army working on a project—Reserve Component Automation System (RCAS)—for three or four years right before General Temple left. Once we turned it over to the Guard and Reserve, it was done. I mean it was done the right way on time, and it is just the way we wanted it.

I would like to place in the record at this point a letter from Lt. General Temple attesting to the success of the RCAS program once it was turned over to the reserve components.

[The information follows:]



January 2, 1990

Honorable John P. Murtha
United States House of Representatives
2423 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

Your attention is invited to the attached Memorandum For Correspondents. This is a success story unparalleled in Army automation acquisition history.

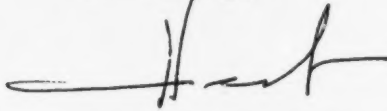
It was two years this month that your committee gave the Chief, National Guard Bureau the responsibility for the management of the Reserve Components Automation System (RCAS).

Sir, mission accomplished. Although there is still a long way to go to finally field RCAS, my forthcoming retirement will preclude me having the pleasure of seeing this program come to fruition. My successor, I'm certain, will continue the direction and supervision necessary to bring it to final fielding. RCAS is an essential element in America's future security. It will be the single most important Army Guard and reserve program in the next decade.

Thank you for your support, assistance and confidence. I know you have been the victim of

conflicting reports relative to this program.
I'm pleased to report to you that RCAS is a
winner--it's now yours to give it life.

Sincerely,

A handwritten signature in dark ink, appearing to read 'H. Temple', with a long horizontal flourish extending to the left.

Enclosure

Herbert R. Temple, Jr.
Lieutenant General, U.S. Army
Chief, National Guard Bureau

December 29, 1989

The Chief, National Guard Bureau announces the release today of the Reserve Component Automation System's (RCAS) requirements package to private industry for competitive bids. Release of the requirements package is the result of two years of intensive work by the program management staff, the U.S. Army Information Systems Selection and Acquisition Agency, and inputs from the soldiers in the field this program will serve.

Under the direction of the National Guard Bureau since January, 1988, the RCAS management team has met all interim goals, to include Department of Defense approval for funding last September, enroute to providing the requirements package to industry. This Total Army system is being developed in coordination with the Chief, Army Reserve; the Army Director of Information Systems for Command, Control, Communication and Computers; and many other Army staff elements and commands.

The RCAS program will be one of the largest government computer acquisitions ever instituted, and, according to Guard officials, could not have been brought to this point without the encouragement and support of former and current Secretaries of the Army. RCAS will provide mobilization and peacetime information processing support to more than 9,800 Army National Guard and Army Reserve units in 4,700 locations in all 50 states, Europe, Guam, Puerto Rico, the U.S. Virgin Islands and the District of Columbia. Units supported will include 54 ARNG State Area Commands (STARCs), 66 Major U.S. Army Reserve Commands (MUSARCs), as well as 51 mobilization stations

- MORE -

The core of the RCAS program will be a state-of-the-art automated information system that will improve unit administration, mobilization planning and mobilization execution.

Additionally, RCAS will provide automated support for the day-to-day administrative tasks of all the units from the smallest to the STARCs, MUSARCs, CONUSAs (Continental US Armies), NGB and Headquarters, U. S. Army Forces Command, Fort McPherson, Ga. The program seeks innovative solutions to the automation requirements of the Reserve Components, and may have additional potential for applications throughout the Department of Defense.

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For further information, contact Major Robert W. Dunlap, National Guard Bureau Office of Public Affairs, (202) 695-3454.

ARMY RESERVE COMMAND STRUCTURE

Mr. MURTHA. On the other hand, we have been trying to get the Army to re-do the Army Reserve command structure, because we don't agree with the way they are doing it. We don't seem to be getting the kind of cooperation we need. Everybody keeps talking about how good the Guard and Reserve are, yet they don't seem to trust them with responsibility. We hear all kinds of excuses about it and then they start cutting back on the force. That doesn't make sense to me.

Mr. DUNCAN. I have spoken about my view of equal cuts of Active Reserve.

Mr. MURTHA. This is a place where you exert some influence on the budget.

Mr. DUNCAN. Yes, sir. I understand the committee's position.

Mr. McDADE. I have no further questions of this witness, Mr. Chairman.

Mr. MURTHA. Mr. Young.

FUTURE PLANS FOR THE RESERVES

Mr. YOUNG. I wanted to inquire a little beyond the 1991 budget that we are dealing with today, because I understand the POM 1992 is about to be upon us, and your submissions are to be in by the end of this month. Is the Guard and Reserve submission for POM 1992 in yet? Have you submitted them?

Mr. DUNCAN. Not until the end of this month.

Mr. YOUNG. Should we be looking for any major changes in the relative role that the Guard and Reserve will play in the overall force structure?

Mr. DUNCAN. It may be a little premature, but that is precisely what we are addressing with the Total Force Policy study, everything from 673(b) authority to what missions could be assigned and why, to the Reserves. We are looking at the costing. We want to ensure that we are talking apples and apples and there is no misunderstanding about costing methodologies.

My best judgment is that the recommendations of that committee, which by law are not required to the Secretary until December—with interim findings as early as September—that it is going to be very difficult to take whatever recommendations are made to the Secretary, and apply them to this POM.

We are going to try, however, because the budgeting process is tedious and long. It is going to be a challenge since we want our best judgment. We don't want to rush to judgment, and come up with something that is less than a good product. So we are balancing our best judgment to the Secretary and how fast can we make it apply to the new POMs. The Secretary wants our advice as soon as possible, and we are doing everything we can to give that advice sooner than the statutory requirements so it can affect the budget planning.

Mr. YOUNG. I am not sure I understand what you mean when you mention December. Your POM submission is due by April 30.

Mr. DUNCAN. By statute, the statute which, as I understand, was coordinated between the Senate and the House, that requires the Total Force Policy study, says that interim findings and conclusions to the Secretary of Defense are due in September with final

findings and conclusions in December. If our recommendations came out according to that schedule, the Secretary would then give guidance in calendar year 1991 that would affect next year's POM.

We are trying to see if we can speed along the work of that committee so our recommendations can somehow influence the preparation of the new budget. It is just that the budget cycle is kind of out of sync with the statutory requirement and we want to make sure that we do a good job. We are trying to balance all those factors.

MOBILIZATION

Mr. YOUNG. If we had the mobilization that the Chairman thinks would be a good idea, and I agree, what is the biggest problem that you would have in putting the forces together for whatever the mission might be? Would it be training, personnel, equipment—

Mr. DUNCAN. If we had to call up Reservists for a major conflict?

Mr. YOUNG. Yes. Any conflict?

Mr. DUNCAN. As a practical matter, depending upon the units we are talking about, the Guard and Reserve are ready. Certainly the early deploying units are ready and I have no doubt about their ability to perform. If it were a prolonged conflict, we would have to worry about post-mobilization training for some later deploying units, but that is predictable and normal.

Individual skills do pose a problem and we would have to make sure the units are fully equipped. The curve has been very positive for the last several years for increased readiness from an equipment and personnel standpoint.

EQUIPMENT

Mr. YOUNG. You are satisfied that the equipment is being modernized to the point that it would be very compatible with an Active Duty force?

Mr. DUNCAN. We have Air Guardsmen flying F-16s and Army Guardsmen in M-1A1 tanks. Am I fully satisfied? I suppose I could never be fully satisfied. Our best judgment is that we have something in the neighborhood of 84 percent of all of the equipment that would be needed by the Reserve Forces across all of the Services if we were engaged in a major conflict. That is a result of appropriations in the early eighties, which we are still feeling the effects. If there were no additional appropriations over a period of time we would start having equipment problems.

Right now, we are in the best shape we have been in for many, many years, and that is good. What we have to do is focus on the size of the Total Force. I have got to look at what can we do to ensure that our Guard and Reserve units become even better equipped by perhaps looking at equipment that may be coming out of Active units and figuring out what we can do in assigning equipment to the units that would be most likely to be deployed into conflict first. That is just going to require good management.

RECRUITING PROBLEMS

Mr. YOUNG. Are there any real obvious deficiencies in recruiting or in filling the billets that you have in the Guard and Reserve?

Mr. DUNCAN. I will let the Chiefs talk about that. They are closer to that issue than I am. I understand that we have had over a period of years some recruiting problems in some of the northern states for the Guard. We are relooking that because I am anxious to explore to what extent, we can take what I refer to as the "human capital" that is in the Active forces—the people that may be coming out of the Active forces—to what extent can we take those skills and put them into the Guard and Reserve.

That will affect recruiting but thus far, it has been pretty good, and that is why we have the high quality that we have in the Reserve Forces.

Mr. YOUNG. Mr. Secretary, I join with the other members who have given high marks to the Guard and Reserve for training, readiness, ability, and morale. Morale apparently is very high?

Mr. DUNCAN. Yes, sir, it is.

Mr. YOUNG. Thank you.

Mr. MURTHA. Mr. Livingston.

Mr. LIVINGSTON. I want to add my own praise to that of the members who have come before me. You have done a super job in your respective units and I welcome not only you, Mr. Secretary, but the leaders of the Guard and Reserve who are here to testify later on.

I have a number of specific questions which I would like to propound to each of the leaders of the Guards. I have a hearing that is going to start in ten minutes, so rather than get into that with you, I will submit those for the record, and welcome you all here. And thank you for the great job that you are doing.

[CLERK'S NOTE.—The questions submitted by Mr. Livingston and the responses thereto will be printed with the hearing on that subject.]

Mr. HEFNER. Mr. Dixon.

Mr. DIXON. I have no questions, Mr. Chairman.

Mr. HEFNER. Thank you. Mr. Sabo has several questions to be answered for the record.

[CLERK'S NOTE.—Questions submitted by Mr. Sabo and the answers thereto follow:]

ENVIRONMENTAL PROTECTION

Question. There seems to be a greater public awareness and desire for increased environmental protection programs. The Department of Defense appears to be making greater efforts in this area, but I am concerned that budgetary pressures may curtail these efforts.

Please describe the activities of the reserve components in terms of environmental protection and restoration?

Answer. Federal, State, and local laws and regulations impose many environmental regulatory and procedural requirements on the Reserve components. These apply at all levels from the large installations to the small armory complex. The environmental staffs supporting the Reserve components are actively pursuing the

entire spectrum of protection and restoration activities including environmental impact analyses, hazardous waste management, underground storage tank management and remediation programs, natural resource management, air pollution control, environmental compliance assessment and management program audits, and the installation restoration program.

Question. Do you believe that you will have the necessary staff and financial resources to deal with the growing number of environmental laws and regulations for which you are responsible?

Answer. Environmental staffing for the Reserve components is a function of the relationship of the real estate and facilities used by the component and its parent service. For example, the Army reserve operates on federal property under the control of the Active Army and receives its environmental staff support from the Active component. Those Reserve components which manage installations have environmental staff positions at those installations as well as an environmental staff at the component headquarters. While environmental staffs have grown in each of the Reserve components over the past several years, they will not be sufficient, at their current levels, to properly manage the increasing responsibilities imposed by new laws and regulations. Each component has identified its staffing shortfall and is competing for positions within the Department of Defense personnel budgets. In general, environmental funding is available within the Reserve components only to meet compliance requirements. The most pressing problem throughout the components is the replacement of underground storage tanks. Funding for the environmental accounts needs to grow to meet federal and state requirements, but this need comes at a time of a major overall reduction to the Department's budget. To meet the "must pay" environmental bills, funds are being redirected from other operational accounts.

Question. Using your current resources, can you manage and maintain the public lands which have been provided for your use?

Answer. All Reserve components train and operate on public lands, but most of those lands are under the control and management of the Active components. Under those circumstances, that use does not require any special management or maintenance beyond that currently in place within the Active force structure. The Army National Guard does conduct some of their training and operations on public lands for which they have direct responsibility for management and maintenance. In most cases that management is conducted under the auspices of an agreement between the Bureau of Land Management and the state. Funds from the Army National Guard's Operation and Maintenance appropriation in the fiscal year 1991 budget will be used for identified environmental compliance requirements. Using this arrangement, those public lands will be properly managed and maintained.

[CLERK'S NOTE.—End of questions submitted by Mr. Sabo.

Committee questions submitted for the record and the answers thereto follow:]

MOBILIZATION AUTHORITY

Question. For the record, provide the authority contained in 10 U.S.C. 673b.

Answer. There are over 1.17 million members in the Selected Reserve. Within the authority of 10 U.S.C. 673b, the President may activate any number of them from 1 to 200,000, to augment the Active forces for an operational mission. This provision of law may not be used to activate Reserves in response to such domestic events as civil unrest, insurrection, or natural or man-made disasters. The ordering of the Selected Reserve to Active duty under this authority may not be for training purposes. This authority has certain benefits and limitations.

Provides for immediate augmentation of Active forces by the Selected Reserve for operational missions that may or may not involve an armed conflict.

Provides use of highly trained units and/or specialized individuals having crucial skills or capabilities either unique to the Reserve components or available in the Active forces only in limited numbers.

Affords a period (up to 180 days) to better assess the operational situation to determine if subsequent mobilization of military resources is required.

Facilitates any subsequent mobilization actions that may be required.

Demonstrates firm national resolve to allies and adversaries alike.

This authority pertains to Selected Reserve units and Individual Mobilization Augmentees (individuals assigned to augment Active components). It does not permit the selective call-up of individuals from within a Selected Reserve unit unless the individuals are pre-designated as a sub-unit within the larger unit.

Could send a signal to an adversary that might cause them to react with a build-up of forces as a counter actions.

TOTAL FORCE POLICY

Question. Of particular concern to the Committee is the draw down of Army Reserve and Army National Guard end strength in FY 1990. Why was the decision made to reduce these forces in FY 1990? Did you support this decision? Why?

Answer. By the end of FY 1990, the end strength of the Army National Guard and Army Reserve will be reduced by a total of 19,704 from FY 1989. This adjustment was necessary as part of the actions taken to achieve compliance with the 1990 Budget Resolution and the partial sequestration. Army Reserve component end strengths will remain unchanged between FY 1990 and FY 1991. By comparison, Active end strength will decline by over 42,000 between FY 1989 and FY 1991.

Question. What is the status of the total force mix study requested by section 1101 of the National Defense Authorization Act, 1990? When will it be completed and furnished to Congress?

What is the mix of active to reserve participation in this study?

What is the mix of officer to enlisted participation in this study?

Do you personally believe that this study, when completed, will address and solve the many major concerns of the future total force mix? Or will it be another study which states, yes, we have problems but we are working on them.

Answer. The Total Force Policy Study is an important part of the orderly process we are engaged in for the effective restructuring of our Armed Forces in the face of a rapidly changing international security environment. The Total Force Policy Study Group is addressing the crucial force structure/force mix questions facing the Department. We have established a professional staff which is actively supporting the Study Group. And, we are currently discussing the key issues with outside experts. The interim findings will be reported to Congress on September 15, 1990, with the final findings and recommendations on December 31, 1990.

The work of the professional staff of 30 civilian and military personnel is overseen by a 24-member Study Group made up of the key civilian leadership of the Department and senior Active and Reserve military commanders. We share the leadership of the group; i.e., the Assistant Secretary of Defense for Force Management and Personnel serves as Chairman, and the Assistant Secretary of Defense for Reserve Affairs serves as Vice-Chairman.

The Study Group has a broad membership of Active, Reserve officers and enlisted. Four other Assistant Secretaries of Defense serve on the Study Group (Health Affairs, Production and Logistics, Program Analysis and Evaluation, and Legislative Affairs) as does the Principal Deputy Under Secretary of Defense (Strategy and Resources) and the Department's General Counsel. The Assistant Secretaries (Manpower and Reserve Affairs) of each of the Military Departments serve on the Study Group, as do the representative of the Chairman of the Joint Chiefs of Staff, senior representatives of each of the seven Reserve components (including the Coast Guard Reserve), and the Chairman of the Reserve Forces Policy Board.

We believe that the Study Group will be able to develop recommendations that will take the form of policy guidance by the Secretary of Defense to the Services as they make program and budget decisions over the coming months and years.

Question. A General Accounting Office report, entitled "DOD Guidance Needed on Assigning Role to Reserves Under the Total Force Policy" states that criteria used by the Services in decision-making to be largely informal in nature, and there were no clear established parameters for the use of the Reserves. The report further states that decisions on the use of Reserve components usually occur as by-products of overall force structure decision-making under planning, programming, and budgeting processes in each Service. Do you agree with their assessment?

Answer. DOD did not agree with the GAO assessment that force mix decisions were only by-products of overall decision-making within the planning, programming and budgeting process. It was

pointed out that while force mix guidance was embedded throughout the entire force development process, DOD did acknowledge that more definitive force mix policy guidance would be needed and was in the process of developing such guidance in the form of a new DOD Directive. That effort has now been subsumed by the congressionally directed Total Force Policy Study.

Question. GAO recommended that force mix decisions should be made using criteria that address costs, force capability, training, and recruiting requirements and personnel availability and that the Secretary of Defense should improve the comprehensive and specificity of policy guidance. The Department agreed with GAO's suggestions and cited a project was underway to do just that. What project is underway and what is its status?

Are you or your office involved in this project? To what extent? How does this project interact with the total force mix study currently being conducted by the Department?

Answer. DOD has been working to develop coordinated policy guidance dealing with the issue to Total Force and force mix decision-making. Members of my staff have been directly involved in undertaking a review of the force mix decision process and had been incorporated in a draft DOD Directive. While the draft policy Directive was issued for formal comment in March 1989, it has since been incorporated into the present Total Force Policy Study being conducted by DOD as directed by the FY 1990 DOD Authorization Act.

Question. There have been many GAO reports addressing the needs and shortfalls of the reserve components.

Do you receive copies of these reports?

How do you interact with the services and the Reserve components to find solutions to problem areas addressed?

Answer. The Office of Department of Defense Inspector General (DOD/OIG) regularly provides my office with copies of GAO reports. We interact with the services and the Reserve components from the time the GAO announces a review of a subject involving our area of responsibility. The DOD/OIG would, under such circumstances, identify my office as the primary action office (PAO), with the services and Reserve components as collateral action offices (CAOs). Initial meetings are held between the GAO representatives, the PAO and CAOs, and the DOD/OIG to discuss the issues. Once a draft GAO report is issued and reviewed by the Department, a meeting is arranged with the GAO. My representative would act as the spokesperson for the DOD and orally present the official DOD positions. The CAOs also participate. Where the Department concurs with the GAO's findings and recommendations, our response would describe the specific corrective action being agreed to, how it will be accomplished, the entity or entities responsible for its implementation, the milestone/completion dates and how compliance will be monitored.

ARMY RESERVE COMPONENTS

Question. The Army reserve components seem to be the subject of most of these reports. Besides the total force policy report, others include management of full-time support program, IRR training

funds, and screening of key civilian employees. Do you honestly believe that the active Army and the reserve components are working together to solve these problems?

Answer. Representatives from the active Army and its Reserve components participated fully in the development of the DOD guidance and in the review of the GAO recommendations and assessment of necessary corrective measures.

Question. What position do you play in this regard?

Answer. My office is responsible for developing guidance for all services with respect to each of the programs you mention. We have recently published the first DOD Directive on full-time support personnel and submitted two major reports to the Congress this January which for the first time relates the detailed categories of full-time support to a general system of DOD prioritization. The implementation of the annual muster for the IRR was an initiative of my office which helped to focus available training dollars on the areas which both the GAO and DOD feel most critical. Last summer, we established a Joint Task Group to focus the efforts of OSD and the Total Army on IRR training. This group is focusing on the types of issues raised in the GAO report. When the GAO looked at the screening of key civilian employees the Army had not yet published its Directive, implementing DOD guidance. This has now been done.

Question. Do you believe that providing command authority to the Chief of Army Reserve will help the Chief advance the Army Reserve position to the Army?

Answer. I do believe that the Active Army and Reserve components are working closely to address the areas reported on by the GAO. My staff often plays an active role in resolving those areas identified by the GAO as problems. Providing command authority to the Chief of the Army Reserve would make him directly accountable but of itself will not guarantee an increased role as improved readiness for the Army Reserve.

MISSION ESSENTIAL EQUIPMENT FOR TRAINING (MEET) PROGRAM

Question. The GAO is currently working on a report for the Committee concerning the Minimum Essential Equipment for Training (MEET) program of the Army reserve components. Initial indications are that the Army has not effectively set criteria or managed the program.

Last year when the Committee asked whether the reserve components were receiving equipment based on the "first to fight, first to equip" policy, you responded for the record that your office monitored the services' policies and procedures for resources units based on this policy. You also mention specific programs as the Army Master Plan Deployment List (DAMPL), the Total Army Equipment Distribution Program (TAEDP), and the Reserve Unit Priority System (RUPS) as means to track the equipment levels and relative deployment urgency.

How does the MEET program interact with the above programs? Should it? If all those systems are available, why then does it appear that the Army Reserve components' combat support and combat service support units show significant shortfalls in equip-

ment levels, including equipment necessary to meet minimum essential training needs?

Answer. The DAMPL determines the priority of units competing for resources based on "first to fight, first to equip" policy. The TAEDP established the equipment distribution program for all the Army units, Active and Reserve based on the DAMPL priorities. MEET is intended as an exception to the priority distribution system. The MEET program provides a minimum quantity of the equipment to RC units which is essential for home station training, even if the units deployability/employability priority would not justify current equipment distribution. I am aware, as the GAO has pointed out, that the implementation of the Army MEET program has not fully achieved its desired objectives. The Army is reviewing its MEET program, and will recommend to me, by September 30, 1990, the best means to satisfy the requirements for providing minimal resources to allow readiness training in all Reserve component units.

DRUG INTERDICTION ACTIVITIES

Question. The Congress is very concerned about the amount of drugs currently entering this country and has provided the Department of Defense \$450 million in fiscal year 1990 to help combat this problem. Secretary Duncan, what role do you play in determining when and how much each of the reserve components can be utilized in the drug interdiction efforts of the Defense Department.

Answer. In my role as the Assistant Secretary of Defense for Reserve Affairs, I naturally have a concern that too large a part in drug interdiction will detract from the training of the reserves for their Federal mission. In that respect I believe that we must observe caution and carefully monitor readiness levels to assure that no degradation occurs. For both FY 1989 and FY 1990, use of the National Guard and other reserve forces has been over and above required training or has been coincident with activities which did not detract from training for the federal mission. Consequently, readiness has not been affected. However, any plan or suggestion that would use reserve troops in counter drug activities in lieu of normal periods of mission training would, I feel, not be in the best interest of these units and their role in the security of this nation.

My role as DOD Coordinator for Drug Enforcement Policy and Support is primarily to develop policies and standards for the administration of DOD counterdrug programs. Regarding Army, Navy, Air Force, or Marine reserve personnel and equipment, the Commander-in-Chief (CINC) who commands the units, in coordination with the appropriate Service Chief, decides when and how to employ them. The state Governors determine when and how to use National Guard forces and equipment. Use of either National Guard or Reserve forces is based upon requests for support by law enforcement agencies.

With regard to the use of National Guard troops, I have an additional role. Prior to receiving funding for counterdrug operations, each state must submit plans on the utilization of its forces and equipment. My office reviews these plans and makes a recommendation on the approval and funding to the Secretary of Defense.

Once the funds are distributed, we carefully monitor the execution of these funds through on-site visits and review of periodic reports to ensure that these funds are used for the specific purposes authorized, as well as to assess the proper utilization of the units involved.

Question. Do you have any reservations about budgeting for reserve component involvement in a separate appropriation?

Answer. Although it is somewhat more administratively cumbersome than in the past when all reserve component funding was contained within reserve component appropriations, the current approach is satisfactorily satisfying the needs of reserve units performing counternarcotics missions.

Question. Are you involved in this process?

Answer. Yes, I am involved in all budget deliberations pertaining to the reserve components, and all those pertaining to counternarcotics.

Question. How do the reserve components develop what needs to be included for drug interdiction activities?

Answer. The reserve components provide their counternarcotics funding requirements to me, in my role as DOD Coordinator for Drug Enforcement Policy and Support, for inclusion in the central DOD Counternarcotics program and budget submissions. National Guard unit involvement is determined by approved State plans, the funding requirements of which are also included in the central DOD Counternarcotics program and budget submissions.

Question. How can the Committee be sure that the reserve components will actually be provided the necessary funds in a timely manner or that funds will not be held in abeyance pending unforeseen contingencies in the overall account?

Answer. In a declining Defense budget environment, there are no guarantees that all Counternarcotics funding requirements can be provided to the reserve components. However, to date, there has been no evidence of a problem with the timeliness or sufficiency of funding for reserve component units performing counternarcotics activities.

Question. For the record, for the amount appropriated in FY 1990 provide a breakout of how the \$70 million for Operation and Maintenance and the \$40 million in Procurement have been utilized.

Answer. Of the \$70 million, \$68.8 million is being provided to the states for military personnel and operation and maintenance in support of the Governor's approved plans. The remaining \$1.4 million is being used to support the increase in Active/Guard Reserve positions to manage the counter drug program.

The largest portion (\$22.5 million) of the \$40 million in procurement funds will be used to purchase 3 AN/TPS 70 Radars. The balance of the funds will be used to purchase additional air and ground communication equipment, and 55 Forward-Looking-Infrared (FLIR) radar sets, as well as upgrade 22 OH-58 helicopters to receive the FLIR.

SPECIAL OPERATIONS FORCES (SOF)

Question. For the first time, the FY 1991 budget shows the Special Operations Forces in separate appropriations. Operation and Maintenance funds to the tune of \$69.5 million have been transferred from the reserve components into a special SOF appropriations.

Like the drug interdiction account, these funds are budgeted in one account. Are these funds and the actual forces controlled by SOF or by the reserve components?

Answer. As directed by the Congress in the Department of Defense Reorganization Act of 1986, special operations forces and the funds to support them are under the control and authority of USCINCSOC. When the funds are executed, they are suballocated to the reserve component units in support of the reserve SOF unit requirements.

Question. Do you have any reservations about budgeting for reserve component involvement in a separate appropriation?

Answer. Although it is somewhat more administratively cumbersome than in the past when all reserve component funding was contained within reserve component appropriations, the current approach is satisfactorily satisfying the needs of the reserve SOF units.

Question. Are you involved in this process?

Answer. Yes, I am involved in all budget deliberations pertaining to the reserve components.

Question. How do the reserve components develop what needs to be included for SOF activities?

Answer. The reserve components provide their SOF funding requirements to USCINCSOC for inclusion in the USCINCSOC program and budget submissions.

Question. How can the Committee be sure that the reserve components will actually be provided the necessary funds in a timely manner or that funds will not be held in abeyance pending unforeseen contingencies in the overall account?

Answer. In a declining Defense budget environment, there are no guarantees that all SOF funding requirements can be provided to the reserve components. However, to date, there has been no evidence of a problem with the timeliness or sufficiency of funding for reserve component SOF units.

Question. Of special concern to the Committee is that military technicians are paid from the Operation and Maintenance accounts and have been transferred to the SOF appropriation. Since they are valuable full-time support assets of the reserve components, do you believe they should be under the control of SOF?

How does this transfer affect the military technician floor included in each Defense Appropriations Act?

No matter who controls the funds, the Committee expects the reserve components to have complete control over the positions. Can you assure the Committee that the military technician positions will be protected, no matter who controls the funds?

Answer. Military technicians are dual-status employees; that is, they are civilian employees tied to a military slot. The military status of the technician is preeminent, and technicians' continued

civilian employment is contingent on the maintenance of their military membership. The SOF technicians remain assigned to the same military unit as before and their military status is unchanged. The primary difference is that funding for their civilian salary and accounting for their civilian space is now the responsibility of SOF.

It will make management of the technician floor by the Services more difficult. However the end affect will not be noticeable to the Congress as the Department, as a whole, must adhere to the floors.

From a DOD perspective we can maintain control over all resources assigned to the Department to include "protecting" the military technicians, however; the reserve components no longer have the specific control over the military technician positions that they had prior to the transfer of resourcing to the SOF.

[CLERK'S NOTE.—End of questions submitted for the record.]

WEDNESDAY, APRIL 4, 1990.

ARMY NATIONAL GUARD AND ARMY RESERVE

WITNESSES

LT. GEN. JOHN B. CONAWAY, USAF, CHIEF OF NATIONAL GUARD BUREAU
MAJ. GEN. DONALD BURDICK, USA, DIRECTOR, ARMY NATIONAL GUARD
MAJ. GEN. WILLIAM F. WARD, USA, CHIEF OF ARMY RESERVE

INTRODUCTION

Mr. AuCoin. Our next witnesses are Lieutenant General John B. Conaway, USAF, Chief of the National Guard Bureau; Major General W. F. Ward, USA, Chief of the Army Reserve; and Major General Donald Burdick, USA, Director of the Army National Guard.

The Army Reserve fiscal year 1991 request for reserve personnel and operation and maintenance is \$3.2 billion. When including active military personnel, procurement, and military construction funds, it increases to \$3.8 billion. This supports a Selected Reserve strength of 309,200.

The Army National Guard fiscal year 1991 request for reserve personnel and operation and maintenance is \$5.3 billion. When including active military personnel procurement, and military construction funds, it increases to \$6.1 billion. This supports a Selected Reserve strength of 447,300.

Gentlemen, we welcome you to the hearing.

General CONAWAY. Thank you. I made opening comments with the other panel. I won't before this one, Mr. Chairman. I will allow my two colleagues to make their comments.

Mr. AuCoin. Your prepared statements will be inserted in the record. Please summarize your statements and whichever of you wants to lead off may.

SUMMARY STATEMENT OF GENERAL BURDICK

General BURDICK. Mr. Chairman and distinguished members of the Committee, I appreciate the opportunity to testify before you today on behalf of the 456,000 soldiers in our Army National Guard. I want to thank this committee for our past support of the Army Guard. With our help, the readiness of our Army National Guard is indeed the best it has ever been in our 353 year history.

Today, excepting C-5 units, units that are undergoing a major reorganization and equipping and are not really considered, 94 percent of the Army National Guard are judged combat ready by Army standards.

The fiscal year 1991 President's Budget supports the Army National Guard's federal and state missions. With the resources to be provided, I feel we will continue to maintain a combat ready force in the most cost effective manner. Today's Army National Guard—what I would like to refer to as this nation's Army on call—has

taken on new responsibilities. We are manned with higher quality soldiers. We are trained and equipped to a higher level of readiness, and modernized to a greater extent than ever before.

To accomplish our mission in the nineties, I feel our Army National Guard must achieve three important goals:

The first is that we must continue to recruit only the highest quality soldiers.

Second, we must continue to improve readiness through individual unit and leadership training.

END STRENGTH

Finally, we must support the readiness of our individual soldiers, units and equipment, by providing an adequate, full time support force. This past year's strength of the Army National Guard reached its highest level ever. We are at 456,960. That was our end strength and we made 99.999 percent of mission. We didn't want to go over our end strength, because of funding. However, because of budgetary constraints, we have been directed to undergo a program reduction of 10,000 soldiers in FY 1990 and to maintain a level end strength of 447,300 soldiers until the report of the Total Force Policy Review Board is rendered and a determination is made on the mix of the forces.

To maintain a combat ready, cost effective Army National Guard, we must focus not only on the continued recruitment of quality soldiers, but also on the retention of our most qualified soldiers.

Now with just a word on attrition or our losses. At the end of fiscal year 1989, our attrition, our loss rate, was only 17.7 percent. This was the lowest ever and the lowest of any of the three Army components.

Currently, we are at 102 percent of our fiscal year 1990 program end strength of 447,300, our present strength of 456,071. To maintain the continued combat readiness of Army National Guard units, I would like to explain the need for full time support personnel.

FULL-TIME SUPPORT PERSONNEL

The full time support program employs a cadre of personnel. This is at unit level in support of overall readiness of our units. That unit level I am talking simply about four people. Our readiness sergeant, our training sergeant, our supply sergeant and then a unit clerk. The program includes active Guard Reserve or what we refer to as AGR soldier, military technicians, active component soldiers who are assigned to the Army National Guard and Department of Army civilians who work at the National Bureau.

Required growth is the most critical issue facing the full time support program. As of fiscal year 1991, the Army National Guard will be short some 17,000 AGRs and almost 5,000 military technicians. These personnel needs have been validated and are necessary to support mission readiness requirements.

However, as a result of budget constraints, the fiscal year 1991 budget submit does not allow any growth in full time support manning.

Increases in both AGRs and military technicians are critically, particularly in view of supporting sophisticated weapons system such as the nuclear air defense battalions which have recently come into the Army National Guard. In addition, full time support is needed for new medical—excuse me—new military intelligence, new chemical signal and infantry units being fielded in states such as Utah, Colorado, Louisiana, Missouri, South Carolina, Texas, Tennessee and Florida.

The Army National Guard is a combat-ready force due to the dedication of these full time personnel as well as our part time soldiers. I might add that all of our full time personnel, both our active Guard reservists and our military technicians fill TO&E positions. They are in our deployable units and they are deployable as combat-ready soldiers.

The individual Guards manning the citizen soldier, has been willing to contribute extra hours to train to tactics and equipment under austere conditions, to improve his or her combat readiness. Likewise, the leadership of the Army National Guard is also committed to recruit and retain and then to train a combat-ready force for the lowest cost consistent with the resources provided to us by the Congress.

Mr. Chairman, this concludes my statement. Again, I thank you and your committee for your interest and your support. I will be glad to answer questions you may have.

[The statement of General Burdick follows:]

STATEMENT OF
GEN DONALD BURDICK
DIRECTOR, ARMY NATIONAL GUARD

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- I. FOREWORD

Today the Army National Guard (ARNG), our Nation's "Army on Call", has taken on new responsibilities. Manned with high quality soldiers, trained and equipped to a higher level of readiness, and modernized to a greater extent than ever before, the Army National Guard is the best it has ever been in its 353 year history. The Total Force policy and the resources provided by Congress have made this high level of readiness possible. However, this support must be continued to assure the completion of our modernization program and the full readiness of all ARNG units.

The ARNG has proven to be cost effective in performing both its state mission of providing military support to civil authorities and its federal mission of deterring war.

The ARNG improved dramatically during the decade of the 1980's:

--- End strength and force structure increased by approximately 100,000 to an End Strength of 447,300 for Fiscal Year 1990.

--- The number of ARNG units with early deploying missions increased 151%.

--- The number of new and existing units reporting an overall ready status to perform their wartime mission increased 36%.

--- High priority units are being equipped with the most modern equipment available to the Total Force.

--- Training opportunities have greatly expanded with the use of local, regional, national and joint training areas and centers. The use of high technology training equipment and training simulators enhanced our ability to make maximum use of limited resources.

--- Training opportunities for qualification of individual soldiers, leaders and units have been extended to include field environments around the world.

With Congress applying the necessary manpower and dollar resources, the ARNG will continue to meet the requirements of becoming an even more viable and cost effective military force. We look forward to the challenges and opportunities that this decade of the 90's will bring.

With mutual force reductions in Europe, reduced defense budgets and Active Component end strength cuts will make the ARNG more critical and cost beneficial in the future!

II. GOALS

Army National Guard soldiers are unlike any others in the world. The Guard was formed during the American Revolution as a militia that should, as George Washington felt, be trained and organized under a uniform national system in all states and subject to call into national service in war or other emergency. We have not changed that concept, but have improved it during our 353 year history. We will continue to improve and adapt to change as our country calls upon us. The ARNG gladly accepts its role as a citizen soldier force with a responsibility not only to support the states and territories when called upon, but also to defend our nation as a part of a military force to deter war and if this fails to fight and win.

To accomplish our missions through the year 2000, the ARNG must achieve four important goals. They are:

Personnel --- Retain quality soldiers, man our force structure, and obtain necessary Full Time Support (Active Guard/Reserve and Military Technician) manning.

Equipment --- Obtain state-of-the-art equipment and ensure quality maintenance for the entire equipment inventory.

Training --- Improve readiness through innovative individual, unit and leadership training which will provide fully trained units in a cost effective manner.

Construction --- Acquire essential facilities necessary to achieve and sustain personnel goals and acceptable levels of quality-of-life in work and training capabilities mandated by readiness requirements.

While focusing on these goals, we must also ensure attention is given to each citizen soldier. The safety and well-being of our soldiers and their families are important to the accomplishment of our mission. We must have soldiers who train in realistic, but safe, environments and who are physically fit and mentally ready to perform their duties.

III. MISSIONS

The Army National Guard is unique in that it has two distinctly different missions. The first mission is to provide support to civil authorities during emergencies such as natural disaster or civil disorder and, most recently, counter narcotic activity. The second mission is to provide properly trained and equipped units as a deterrent to war and to mobilize in the event of national emergency or war to provide combatant forces to the Commanders-in-Chief of Unified Commands.

A. STATE MISSION

Requests for ARNG support to civil authorities continued to increase during Fiscal Year (FY) 89. Our units provided support in 52 states and territories during 249 separate emergencies. This total included both civil disturbance operations and recovery operations following floods, tornadoes, hurricanes, and other natural disasters.

Most recently, the Guard provided assistance during relief operations after Hurricane Hugo and the earthquake in northern California. In addition, the ARNG provided humanitarian support by conducting search and rescue operations, supplying emergency power and water to communities, providing temporary shelter for the homeless, and evacuating critically ill and injured people.

The ARNG has been at the forefront of support to federal and state authorities in drug interdiction. Counter narcotics support is a vitally important mission and one which is uniquely suited to our role as citizen soldiers. The ARNG readily accepted the challenge and provided the first military support to counter-narcotics operations in 1983 in four states. The number of states involved in drug suppression operations has increased to 53 states and territories in 1989 providing 1,811 support missions. In 1990 all 54 states and territories will participate in counter-narcotics support.

B. FEDERAL MISSION

The ARNG provides properly trained and equipped units available for prompt mobilization in the event of a national emergency or war. Currently the ARNG provides 44% of the combat units, 31% of the total Combat Support, and 25% of the Combat Service Support units of the total force. This includes 36% of the total Army's combat divisions (10 out of 28); 26% of the Air Defense Battalions; 51% of the Field Artillery Battalions; 33% of the Aviation units; 41% of the Engineer Battalions and 25% of the Special Forces Groups. All of these forces will be used to support Commanders-in-Chief in their wartime mission.

IV. THE ARMY NATIONAL GUARD - PAST, PRESENT AND FUTURE

During the 1980's, end strength of the ARNG has grown over 100,000, combat equipment readiness on hand has reached over 88%, and the budget has increased from \$2.1 billion in FY 81 to \$5.3 billion in FY 90 for personnel, operations and maintenance and military construction programs. However, many challenges still remain. Constrained resources will require the ARNG to consolidate and sustain gains achieved in the 80's. Further, we must develop long-range plans which will creatively address our capability to support future missions. The ARNG must be prepared to assume new missions in such areas as counter narcotics while maintaining a high degree of readiness for its traditional Federal role.

PERSONNEL

END STRENGTH

As our Army National Guard enters the decade of the 90's, the ever changing environment, which dictates our missions and our resources, will impact on our strength. In FY 89, the ARNG achieved 99.99% of our budgeted end strength of 457,300. Recent end strength reductions for the total Army calls for a reduction in end strength for the Army National Guard of 10,000 soldiers by the end of FY 90 to a programed level of 447,000. To support this reduction we must recruit and retain only the highest quality young men and women into the Army National Guard.

OFFICER MANAGEMENT

The requirement for quality leaders in the Army National Guard continues to be high on our list of priorities. In FY 89, the ARNG exceeded the officer strength mission. At the end of FY 89, Officer end strength was 50,112 which was slightly over the total officer Force Structure requirement of 49,767. In FY 91 we plan to maintain the same level of officer strength. Maintaining this strength level will

require accessions of 4500 officers. We will access the highest quality officers from ROTC, State Officer Candidate Schools, and prior service commissioned officers.

RECRUITING

The Army National Guard recruiting programs for FY 89 were very successful in recruiting high quality non-prior service personnel into the Army National Guard. During this past Fiscal Year, 89.6% of all recruits were High School Graduates, and less than 10% were in Test Category IV. We attribute a large amount of our recruiting success to a program begun in the second quarter of FY 89. This program was called the "Directors Challenge". This program began by each State Adjutant General being sent a personal letter outlining a strength mission for his State. Ideas were provided on how to achieve each state's individual strength mission. One idea that paid big dividends was traditional emphasis on female recruiting. By stressing that 41 percent of our military specialties are open to women the ARNG recruited 1,500 more females than in the previous year.

During FY 90 and 91, the ARNG is focusing on recruiting the highest possible non-prior service personnel into the Army National Guard. For this reason, any reductions in the recruiting support and advertising budget will make these goals difficult to achieve.

FORCE STRUCTURE

Current ARNG force structure will remain at its current level until the completion of the Congressionally directed Total Force Policy Study in December, 1990. However, ARNG force structure initiatives continue to focus on conversion of separate maneuver brigades and corps level combat support/combat service support forces, to Army of Excellence designs.

The conversion of the 116th and 163rd Armored Cavalry Regiments to separate Armor Brigades equipped with M-1 tanks had a major impact on the force structure of the northwest states. In addition, a light infantry battalion was activated in Alaska as a roundout battalion to the Active Components 6th Infantry Division (light).

Three Mobile Army Surgical Hospitals (MASH) were activated in FY 89 in Georgia, Ohio and Indiana, bringing the total number of ARNG hospitals to 24. The 25th hospital is scheduled for activation in Washington state in FY 91. In FY-89 the ARNG also activated its first non-divisional chemical units in Nevada and Illinois. A chemical brigade headquarters is scheduled for activation in Illinois in FY 90.

In Air Defense, the last Korean War vintage "Duster" unit was converted to a Chaparral Battalion. Three other Chaparral Battalions and a Air Defense Artillery brigade headquarters were also activated. The ARNG now has four divisional Stinger Battalions with one more to be activated in FY 91. With the activation of a Hawk Battalion in FY 91 the ARNG will have four Hawk Battalions on line. In addition one Vulcan/stinger battalion has been designated as roundout to the 6th Infantry Division (Light).

FULL-TIME SUPPORT

The full-time support program provides a cadre of full-time personnel at unit level and in support activities to enhance the ARNG readiness mission. Full-time support personnel are the backbone for organizing, administering, maintenance of equipment, recruiting and retaining, instructing and training in the Army National Guard. The program encompasses ARNG Active Guard/Reserve (AGR) Soldiers, ARNG Military Technicians, active component soldiers assigned to the ARNG, and Department of the Army civilians.

Faced with limited growth in FY90, the ARNG has redistributed AGR authorizations from one state to another to ensure some minimal manning for all units. Projected limitations on the AGR force and the National Guard technician force will impact adversely on the overall operational readiness of the ARNG and on our ability to achieve effective AGR and

Technician career programs. The maintenance readiness posture is also adversely affected as we accept greater quantities of highly technical modern equipment and the corresponding increase in workload without equivalent Technician growth.

Career progression of these quality, professional full-time support soldiers is directly influenced by senior controlled grade authorizations provided by Congress.

B. TRAINING

The multitude of training opportunities available today for our ARNG soldiers and units is key to providing realistic, mission-oriented training, thus improving readiness. The Professional Development Program (PDP), Key Personnel Upgrade Program (KPUP), Overseas Deployment Training (ODT), CAPSTONE, training at the National Training Center (NTC) and at the Joint Readiness Training Center (JRTC), Battle Command Training Program (BCTP) and the Joint Chiefs of Staff (JCS) exercises are vital to meeting the ARNG's mission to provide combat ready units in support of the total force and Unified Commanders missions.

RESERVE COMPONENT TRAINING STRATEGY

The Reserve Component Training Strategy provides continuous focus on improving training readiness. The Strategy follow-up efforts have produced a training development action plan which addresses 38 initiatives to improve training in the five areas of soldier, leader and collective training, as well as training support and management. Skill Qualification Test upgrading and validation; enlisted and officer education systems; unit training aids, devices, simulations; and simulator acquisition are three significant issues. Department of the Army manages the program through semi-annual reviews and a General Officer Steering Committee to give priority focus to this important program.

PROFESSIONAL DEVELOPMENT EDUCATION

The Army's ability to field a combat-ready force requires the development of leaders who can, on short notice, deploy, fight, and win. Army National Guard soldiers continue to receive training in resident courses on the latest tactics, doctrine and systems, thus reinforcing MOS skills and leadership abilities. The Noncommissioned Officer Education System (NCOES) is our primary means of meeting these requirements.

Effective 1 October 1987, the Reserve Component Noncommissioned Officer Education System (RC-NCOES) was revised to include Military Occupational Speciality (MOS) specific tasks as well as leadership training and battlefield survival skills. RC-NCOES now consists of four levels of career development training. These levels and the corresponding courses at each level are the primary level - the Primary Leadership Development Course (PLDC), The basic level - the Basic Noncommissioned Officer Course (BNCOC), the advanced level - the Advanced Noncommissioned Officer Course (ANCOC), and the senior level - the United States Army Sergeants Major Course (SMC). The BNCOC and ANCOC have been developed for presentation in two phases (Phase I and Phase II). Phase I training consists of common leader training and the Phase II provides the MOS-specific training.

ARNG and United States Army Reserve Forces (USARF) Schools trained 24,000 soldiers in PLDC, Phase I of BNCOC, and Phase I of ANCOC in fiscal year 1989. The total number of soldiers requiring training is expected to increase for the next three years as implementation of the Phase II, MOS-specific courses begins.

The ARNG is currently developing a plan to implement the Phase II, MOS-specific training. The majority of courseware is projected to be completed during FY 90 with the program available for use in FY 91.

Additionally, soldiers continue to be trained at the Reserve Component Tank Commanders Course (RCTCC). This course prepares ARNG NCOs and officers for the duty position of tank commanders in a tank

armor company or Cavalry troop. Attendees programmed to attend through FY 91 remain consistent with the number of soldiers trained in FY 89. Expanded training will be provided to include the M60A3 and Abrams Tanks beginning in FY 90.

The ARNG NCO Battle Skills Course (BSC) was developed to sustain combat skills. BSC provides training in the technical and tactical employment of infantry squad, platoon weapons, live fire exercises, and the use of supporting battlefield survival techniques. The National Guard trained 526 soldiers during FY 89, and FY 90 and 91 objectives are similar.

KEY PERSONNEL UPGRADE PROGRAM (KPUP)

KPUP deploys soldiers to train one echelon above their current positions or at a facility with a higher overall support mission. The training received during these deployments is reflected in the readiness and understanding of the soldiers as they return to their states. KPUP, a Branch/MOS enhancing program, strives to link soldiers to units within their CAPSTONE Trace, in support of the TOTAL ARMY policy. Since 1981, approximately 37,000 ARNG soldiers have deployed to 92 locations within CONUS and trained in 27 countries supporting humanitarian and mobilization training.

OVERSEAS DEPLOYMENT TRAINING (ODT)

ODT provides Army National Guard (ARNG) units and unit cells the invaluable opportunity to train in their wartime theater of operations under their CAPSTONE gaining command. In addition to honing their warfighting skills, ODT participants familiarize themselves with their assigned area of operations and learn the operating procedures of their CAPSTONE affiliate. ODT also serves as an excellent mobilization planning and execution exercise for ARNG units. In FY 90, over 22,000 Guardsmen performed ODT with about the same number programmed for FY 91.

THE NATIONAL TRAINING CENTER (NTC)

The NTC is the Army's premiere collective training center. It provides the most realistic mid to high intensity combat environment available in peacetime. Since 1983, twelve Army National Guard roundout battalions have trained at the NTC. Current schedules call for four battalions to train at the NTC in FY 90 and FY 91, and two battalions in FY 92. In addition, the ARNG takes advantage of the excellent training opportunity provided by the opposing forces at the NTC. For this mission the ARNG will provide fourteen companies in FY 90 and ten companies in FY 91.

THE JOINT READINESS TRAINING CENTER (JRTC)

The JRTC is the combat training center for low to mid intensity conflict, with primary emphasis on the Total Army's light, airborne, ranger, air assault, and conventional infantry forces. In 1989, two ARNG battalions participated in JRTC exercises. There is a single battalion rotation scheduled for FY 90 and two battalion rotations in FY 91. Additionally, the ARNG will provide two companies during FY 90 to act as a part of the opposing force at the JRTC.

JOINT CHIEFS OF STAFF (JCS) EXERCISES

JCS exercises provide ARNG units the opportunity to train in a simulated wartime environment alongside elements of the Army, Navy, Air Force, and Marines. JCS exercises allow all ARNG elements, combat, combat support, and combat service support to work together as they would in wartime and demonstrate that it is a viable, effective fighting force during operations with other services. Participants improve their warfighting skills in a pressure-packed environment. JCS Exercises also give ARNG leaders the chance to conduct mobilization planning and execution and to evaluate unit war plan development and operating procedures. CAPSTONE associations are strengthened, and during those joint and combined exercises participating units are also

able to familiarize themselves with their wartime missions and CAPSTONE theater of operations. Currently 16 JCS exercises are scheduled for FY 90 and 16 for FY 91.

SPECIAL OPERATIONS FORCES (SOF)

The Army National Guard is continuing to develop its Special Operations Forces (SOF). An ARNG SOF General Officer Steering Committee has been formed and met for the first time in FY 89 to address improvements in the force. In FY 90, the ARNG plans to form an ARNG Special Forces (SF) MOS Qualification Task Force to address initiatives for improving the overall MOS qualification in ARNG SF units. Upon activation of the Army Special Operations Command (ASOC) as a MACOM, the ARNG will be represented with an ARNG Major General in the position of Deputy Commanding General. Two ARNG Special Forces Groups and one Special Operations Aviation Battalion continue to participate in training during worldwide deployments in support of theater level operations.

THE BATTLE COMMAND TRAINING PROGRAM (BCTP)

BCTP is the capstone of the Army's Combat Training Center (CTC) unit training programs. It provides Corps and Division Commanders and Battle Staffs with intensive training in the operational level of war without costly maneuvering by their major subordinate commands. This is accomplished by employing state-of-the-art training simulations to portray the subordinate unit actions against a professional opposing force. BCTP also employs a dedicated staff of Observer/Controllers, who facilitate the training through detailed after action reviews and the preparation of post exercise sustainment training programs. Since its start in late FY 88, two Corps and fifteen divisions have been trained - three of which were ARNG Divisions. Based upon their experiences, we are now developing a Reserve Component configured BCTP that will be tested in FY 91. Once tested and validated, this program will allow increased frequency of ARNG exercises up to an objective of once every other year.

AVIATION TRAINING

The ARNG has two centralized Army Aviation Training Sites (AATS) which provide aviation training for the ARNG. These sites, the Eastern and Western AATS, are located in Pennsylvania and Arizona, respectively. In 1978, the ARNG began developing the concept of centralized ARNG Aviation Training Sites (AATS). The concept was based on an assumption that Active Component capabilities would be constrained in the 1980's and beyond.

The Eastern AATS is entering its seventh year of training operations in FY 90 focusing on individual aviator qualification training in utility and cargo rotary wing aircraft as well as selected fixed wing aircraft. The Western AATS begins its third year of limited operations in FY 90 concentrating on attack and aeroscout rotary wing training. During FY 89, the AATS program trained 1069 students, a number which will be equalled in FY 90 and 91. Nearly 11,000 flying hours were executed in support of the student training during FY 89. Over 12,000 flying hours are programmed to support training activities during FY 90.

The Eastern AATS operates a regional UH-1H synthetic flight training system supporting Active Component, Army Reserve and Army National Guard aviators on a regional basis. Both training sites operate an AH-1 (Cobra) Flight Weapons Simulator (FWS) on a regional support basis. Over 28,000 hours of creditable aircrew flying hours were accomplished in these simulators during FY 89. That accomplishment will be surpassed in FY 90 and 91 as AH-1 aircraft are fielded in ARNG units.

As resources become more constrained in FY 90 and 91, the role of these training sites will assume greater importance. More emphasis on resource intensive training will occur to minimize the impact of possible reductions in flying hours, training time and limited

availability of aviation compatible training areas in metropolitan areas. The ability of the AATS program to meet this role will be limited without the necessary full time AGR personnel. The training capability of the Western AATS is currently constrained due to limitations on personnel growth. Moreover, the premobilization preparation of both sites to expand the Army's aviation training base upon mobilization will be adversely affected without sufficient full-time manning.

In FY 91, the ARNG will field two new generation UH-1 Flight Simulators to support ARNG aviation training requirements. The two cockpit devices will be located at ARNG sites in Los Alamitos, California and Peoria, Illinois to provide regional support to Active Army, ARNG and Army Reserve aviators. The new devices are the result of a Grumman Electronics Contract for development of a prototype simulator based on new computer software language. This effort is the forerunner that will allow replacement of existing mainline computers, as well as split-out and redistribution of UH-1 simulator cockpits. Military construction for facilities to accommodate these simulators will be completed in late FY 90.

The first ARNG Apache Attack Helicopter Battalion was fielded in North Carolina and was certified combat ready in FY 88. In FY 89, a second ARNG Apache Attack Helicopter Battalion in South Carolina began training at home station and will deploy to Fort Hood for combat certification in June 90. Battalions in both Florida and Utah began training at home station in FY 90. Each Apache Battalion requires an increase of approximately 35 personnel to provide needed full-time support; however, with continued constrained growth in full-time manning the aggregate shortage for the next three Apache battalions, located in Texas, Arizona and Idaho will increase to more than 100 full-time personnel in FY 91.

The ARNG has established mandatory Night Vision Goggle (NVG) qualification for all ARNG helicopter pilots. All pilots are now NVG qualified during initial flight training at Fort Rucker, Alabama. In addition, NVG mission training in unit tactical tasks was mandated for specific positions identified by the unit commanders. More than 80 percent of all ARNG aviators are now NVG qualified, with more than 30 percent mission trained. The goal of the ARNG is to have 100 percent of our pilots NVG mission trained by the end of FY 90.

TRAINING SYSTEMS

To date, 5,300 Electronic Information Delivery Systems (EIDS) are being fielded along with 6,400 hours of courseware which is under development. EIDS is an interactive learning system with which individuals and small units will be able to learn and sustain military occupational job skills. The ARNG has continued fielding of the Multiple Integrated Laser Engagement System (MILES). Currently three platoon sets have been fielded for each battalion and squadron in the ARNG.

The Guard Unit Armory Device, Filigree Interactive Simulations Trainer (GUARDFIST I) for M-1 Tank crews has reached the prototype stage with 10 devices being prepared for testing during FY 90. GUARDFIST II, a fire observation trainer, continues under development with prototypes also scheduled for testing in FY 90.

To provide for infantry training on fire control, fire distribution and junior leader training in an indoor environment a Squad Engagement Training System (SETS) prototype is currently being tested. In addition Precision Gunnery Training Systems (PGTS) for TOW and DRAGON antitank systems will allow gunnery training indoors or outdoors at home stations once they are fielded.

REGIONAL TRAINING SITES

The Regional Training Site - Maintenance (RTS-MAINT) program provides centralized, regional hands-on training on current and force modernization systems. Individual transition level training and additional skill identifier (ASI) training on force modernization

equipment and sustainment training for designated military occupational specialties (MOS) are provided at these facilities.

The Army National Guard has proponentry for thirteen RTS-MAINT sites. Training programs have already been initiated at Fort Bragg, NC; Camp Shelby, MS; Fort Dix, NJ; Camp Dodge, IA; Camp Blanding, FL; Camp Roberts, CA; and Camp Custer, MI; Camp Ripley, MN; Gowen Field, ID; Nickell Barracks, KS; and Fort Stewart, GA. An additional site in Jefferson City, MO is scheduled to open in FY 90. The final site is scheduled for FY 92 in Pearl City, HI.

The New Jersey National Guard High Technology Training Center (HTTC), provides a training environment to conduct individual, small unit, and battle staff training using simulations, training devices and equipment end-items, to enhance proficiency in the weapons systems of the Army of Excellence, and the tactics applicable to the Airland Battle. The HTTC provides training seven days per week; twelve months of the year to personnel from NJARNG, USAR, USAF, CONUSA, and Fort Dix. The NJHTTC includes a Regional Training Site - Maintenance (RTS-MAINT), a High Technology Training Center (HTTC), a Training Technology Field Activity (TTFA) and a Range Training Support Activity (RTSA).

The Army National Guard has two Regional Training Sites-Medical (RTS-MED) at Camp Shelby, MS, and Fort Indiantown Gap, PA. These sites provide medical units with transition training on modernized medical equipment such as Deployable Medical Systems (DEPMEDS), sustainment training, and has the mission to provide emergency medical support to disaster areas. DEPMEDS training to Reserve Component units is of paramount importance since 70 percent of the Army's field medical support lies with RC units which will be trained at RTS-MEDS. During Hurricane Hugo DEPMEDS equipment from Camp Shelby was used to support much needed medical support.

SPECIAL TRAINING SITES

Since 1986, the ARNG has trained at a fully operational and provisioned "warm base" European Aviation Classification and Repair Activity Depot (AVCRAD) facility at Brussels, Belgium. This facility is manned by Army National Guard AGR soldiers and contractor personnel in peace time and will be operated by Army National Guard units upon mobilization. Currently, aviation maintenance personnel from the California, Connecticut and Missouri AVCRADS are conducting Overseas Deployment Training at this site to maintain peacetime equipment and training readiness.

In FY89, the ARNG began managing the Equipment Maintenance Center (EMC) at the General Support Center, Kaiserslautern, Germany. Staffing at this site consists of ARNG, USAR and Active Component personnel. The mission of this facility is to provide "hands on" training in Europe for ARNG maintenance units. Maintenance is performed on U.S. Army Europe (USAREUR) equipment that the unit would maintain upon deployment. This Reserve component Maintenance Training Facility has improved the training readiness of ARNG heavy equipment maintenance units while reducing the General Support Maintenance backlog in USAREUR.

TRAINING AREAS AND RANGES

The ARNG Range Modernization Program supports units by providing up to date weapons firing facilities and training areas close to their home station. The program is oriented on improving readiness by providing ranges for both individual and crew qualification. It is also geared to cost-savings by developing, acquiring, and upgrading training areas which maximize training time while reducing operating costs. The range modernization program received over \$17 million in FY 89 and is projected to increase to approximately \$65 million for FY 90 through FY 92.

The Range Modernization Program supports the development of training facilities and land to provide individual and collective training for all ARNG units at 71 ARNG Major Training Areas. Without

these programs, ARNG units would spend valuable training time and funds traveling to and from distant active component training sites. Improvement of these areas with such facilities as computerized target systems, modernized barracks, and educational facilities allows training to current Army standards required for mobilization.

MOBILIZATION TRAINING

The Army National Guard (ARNG) Mobilization and Deployment Exercise Program continued to receive emphasis as an essential element of verifying a units mission capability during FY 89. These exercises are progressive in nature and increasingly challenge the participants to realistically evaluate mobilization planning and execution.

The ARNG Mobilization Exercise Program consists of four exercises designed to address all phases of the mobilization process. Three of these [the State Areas Command Exercise (STARCEX), the Mobilization and Deployment Readiness Exercise (MODRE), and the Readiness for Mobilization Exercise (REMOBE)] are executed as comprehensive evaluations of unit mobilization plans, administrative procedures and personnel preparedness. The Emergency Mobilization and Deployment Exercise (EMDREX), is an exercise designed to test the ability of selected high priority ARNG units to respond, prepare and depart for the mobilization station within 72 hours of federalization. This has become the cornerstone of the ARNG exercise program to insure that the first to mobilize sustain the required high level of preparedness.

The number of exercises conducted has increased since FY 84 from 400 exercises to over 900 in FY 89, while exercise funding has remained constant at about \$12 million. This growth has been achieved by encouraging conduct of exercises in conjunction with inactive duty training periods and other mobilization related training events, rather than as separately funded exercises. The ARNG Exercise program growth has now leveled at approximately 900 exercises annually.

In FY 89, the ARNG initiated a program to improve both the mobilization preparedness and readiness of selected high priority ARNG units. This program is specifically designed to improve the readiness of these units through equipment redistribution, recruiting and retention incentives and exercise training opportunities. These exercises test all phases of the mobilization process to include commercial loadout of unit equipment, movement to the mobilization station and an initial assessment of the units deployability.

FY 90 will see continued emphasis on exercising high priority force package units, as well as improving the quality of all exercises conducted. With the leveling off of funding, quality exercises are the only avenue for insuring maximum results from time and dollars expended. Currently, as a result of budget constraints, exercise schedules have been curtailed to the point where lower priority units are unable to conduct all exercises required by regulation to meet minimum proficiency. FY 90-91 is an especially critical period, as the Headquarters, Department of the Army, CALL FORWARD series of exercises begins. It is essential that the ARNG fully participate in this series of exercises. As the U. S. Army draws down there will be continued reliance upon the mobilization capabilities of the ARNG and the only way to assure this capability is through a fully executed Mobilization Exercise Program.

C. EQUIPMENT

SURFACE EQUIPMENT

Despite the reduction of procurement programs in recent years, equipment deliveries to the ARNG continue to set records. Equipment valued at \$2.9 billion was delivered to Army National Guard units in FY 89 with another \$2.9 billion anticipated in FY 90. This value represents a sizeable increase over the \$2.7 billion delivered in FY 88 and can be attributed to continued modernization of ARNG combat units with new and displaced Army equipment and delivery of Dedicated Procurement Program equipment. The distributed equipment included such

major systems as the M1 Abrams Tank, M60A3 Tank Thermal Sight Tank, Improved TOW Vehicle (ITV), M198 Howitzer, Battery Computer System (BCS), Chaparral, Heavy Expandable Mobility Tactical Truck (HEMITT) and High Mobility Multipurpose Wheeled Vehicles. Equipment On Hand readiness has reached record high levels as a result of these deliveries and inventory management efforts. Despite these gains, however, the ARNG remains short \$6.9 billion of equipment. The most critical shortages are medium and heavy tactical wheeled vehicles, tactical communications equipment, support items such as tools, test equipment, and fuel hauling equipment.

COMBAT VEHICLES

The modernization of the ARNG's armored forces has continued at a steady pace with the introduction of the M1 Abrams into the non-roundout units and the M60A3 Tanks into ARNG divisions. The ARNG armor force will be equipped with M1, M1A1 or M60A3 Tanks by FY 92. M1 and M1A1 Tank Displaced Equipment Training (DET) will continue at Gowen Field Idaho while the M60A3 DET will remain at Camp Shelby Mississippi. M1 fieldings in FY 90 include the 116th Cavalry Brigade (Idaho/Oregon ARNG) which is now a roundout to the 4th Mech Division, 107th Armored Cavalry Regiment (Ohio ARNG), and the 3-123 Armor Battalion (Kentucky ARNG). M-60A3 fieldings to divisions in FY 90 are to the 35th Infantry Division (Nebraska/Kansas ARNG) and the 38th Infantry Division (Indiana/Michigan/Ohio ARNG). All the ARNG fieldings are now under the unit-to-unit transfer program which eliminates depot upgrade prior to transfer to ARNG units.

Bradley Fighting Vehicles (BFV) will be fielded to the 256th Infantry Brigade (Louisiana) and to the 2-136th Infantry Battalion (Minnesota) in FY 90. The fielding of the final Dedicated Procurement Program funded M901A1 Improved Tow Vehicles will be completed in FY 90. M113A3 Armored Personnel Carrier fieldings are continuing to the 32nd Brigade (Wisconsin), and the 40th Infantry Division (Mech) (California) will begin its fieldings in FY 90.

Finally, the Fire Support Team Vehicle (FISTV) will begin fielding to the ARNG non-roundout units in FY 90 and will continue through FY 94.

TACTICAL WHEELED VEHICLES

The continuing shortage of 5-ton cargo trucks in the medium tactical wheeled fleet remains the ARNG's most critical need. Of a requirement of 13,800 vehicles, the percentage of 5-ton cargo trucks on hand is less than 35 percent. Further compounding the issue is the fact that the majority of the 4,862 5-ton cargo trucks on hand are beyond their designed service life expectancy. Positive action to improve the ARNG posture of 5-ton cargo vehicles includes the procurement of 1,818 vehicles from Dedicated Procurement Program funds. Receipt of these vehicles will increase the ARNG readiness posture to 47 percent of fill in the medium fleet.

The light tactical wheeled vehicle fleet is not outdated when compared with other parts of the vehicle inventory. In addition, vehicles are on hand in sufficient quantities to prevent readiness impact. The ARNG is concerned that the planned procurements of High Mobility Multipurpose Wheeled Vehicles will not support minimum levels of issue in the ARNG. Continued use of significant quantities of obsolete older gasoline vehicles will result.

Several members of the heavy fleet of tactical wheeled vehicles, like the medium fleet, are overage by many years and in short supply. The M123 10-ton tractor, for example, is in excess of 25 years old and it remains the only real heavy haul capacity in ARNG Engineer Battalions. Production of the M916 truck tractor is necessary to replace the 645 gasoline powered M123 vehicles.

The Army suspended shipment of the cargo variant of the Heavy Expanded Mobility Tactical Truck (HEMITT) to ARNG units in FY 89 to

shift the equipping effort to the Palletized Loading System (PLS). This action, in addition to shortfalls in HEMTT wreckers and fuel trucks, leaves the ARNG short approximately 1,516 HEMTT to meet minimum readiness standards.

The impact of over age gasoline powered vehicles in the tactical wheeled vehicle fleet is serious. Air Land Battle 2000 guidance would prefer to have only one common fuel (diesel) to supply on the battlefield. Parts are getting increasingly harder to obtain for the older models and certain vehicle types can only be supported through repair parts cannibalization and procurement from commercial vendors. Training of mechanics and stocking of repair parts also require additional resources when the fleet is over age and difficult to support.

In an attempt to control the problems in the tactical fleets of the Army, the Army Tactical Wheeled Vehicle Modernization Plan (ATWVMP) was developed. In addition to planning for procurement and overhaul of trucks, in out-years, to provide economically supportable and reliable equipment, the ATWVMP calls for the early retirement of many of the vehicles that are now problems. Several types of older vehicles cannot be retired; however, due to readiness impact on units.

DEDICATED PROCUREMENT PROGRAM

The continuation of the Dedicated Procurement Program (DPP) Appropriation into FY 91 will allow the ARNG to maintain its established momentum in improving Equipment on Hand (EOH) Readiness. These separately appropriated funds, over \$1.7 billion since FY 82, have improved EOH readiness over 20 percent. The funds appropriated for FY 90 are procuring such readiness significant items as 300 M113 Armored Personnel Carriers, Tactical Refueling Trucks, 96 Light Equipment Tractors (M916A1), C23 Cargo Aircraft, and 30 million dollars in miscellaneous equipment. When delivered these critical equipment items will significantly improve overall ARNG unit readiness.

COMMUNICATIONS-ELECTRONIC EQUIPMENT

The Signal Corps is currently undergoing the largest modernization effort in its history. Mobile subscriber equipment (MSE) offers all Corp and below commanders secure voice, data, and facsimile communications in the equivalent of an advanced cellular telephone system. The ARNG is being equipped with approximately 40% of this 4.3 billion dollar communications improvement. MSE has been successfully fielded in one Signal battalion in Arkansas and two signal battalions in Texas with additional fieldings in New Jersey, Iowa and Michigan in FY 90 and 91.

As of FY 89, all ARNG Divisional Signal Battalions have been equipped with Multichannel Army Tactical Area Communications System. Much of this equipment has been procured with funds made available by Congress for communications equipment since FY 79. ARNG divisions have now attained limited interoperability with all other Army elements. The command and control problems solved by this modernization program and the speed with which it was accomplished constitutes a great success story.

Modernization of signal units at above division echelons has progressed successfully. The ARNG has some shortages in the Communications Security (COMSEC) equipment; however, expected receipt of 2,000 bulk encryption devices will resolve 80 percent of ARNG COMSEC equipment shortages for these units.

Shortages of the AN/VRC-12 family of radios are the greatest shortfall in go to war capability. The ARNG continues to address this problem by purchase of radios with Dedicated Procurement funds. The AN/VRC-12 radios are of older design. It is hoped that the receipt of SINCGARS radios in two brigades in FY 90 and 91 and receipt of radios displaced by the fielding of SINCGARS to the Active Component will eliminate the need to initiate new procurement of AN/VRC-12 radios in the future.

MEDICAL EQUIPMENT

Since 1984, the ARNG has invested over \$45 million in the modernization of medical and dental equipment sets which has significantly increased the readiness posture of medical/dental units within the ARNG. Modernization of medical and dental equipment sets will continue in FY 90 with an additional \$5 million allocated for this purpose. The increase in readiness applies only to non-hospital units. Critical shortages in non-hospital units are now being fielded. These include Dental Chair and Stool Units, Dental Equipment Sets, Dental X-Ray Units, Defibrillators and Monitors, Lab Sets, Veterinary Sets, Field Hygiene Sets, and Optical Fabrication Units. Shortages still exist in Sterilizers, Surgical Sink Units, X-Ray equipment, and Dolly Sets. To increase readiness within the hospital units, the ARNG is programmed to receive 25 sets of Deployable Medical Systems (DEPMEDS), one per hospital. Fielding for DEPMEDS began in FY 88 and is scheduled to be completed in FY 96. Each Hospital unit will receive a Minimum Essential Equipment for Training (MEET) set at home station with a complete set going to POMCUS, POMCUS Unit Residual Equipment (PURE in CONUS), or Primary Mobilization (PRIMOB) storage in CONUS. This fielding will have a significant impact on sustainment of MOS skills and individual and section level training; however, readiness of PRIMOB units is still questionable. Equipment at PRIMOB sites is not configured in unit sets and is considered war reserve. Upon mobilization, any higher priority deploying unit can fill its shortages from this storage site. When the RC Hospital deploys there is no guarantee they will have a functional hospital available. This is a significant readiness concern for the ARNG.

AIR DEFENSE EQUIPMENT

Air Defense Artillery (ADA) is one of the most extensive modernization efforts in the Army National Guard and the Total Force today. Since 1983, the ADA capability within the ARNG has expanded from the Korean era "Duster" short-range air defense system, found only in the ARNG, to the resourcing of multi-level air defense systems for both Active Component and the ARNG. At the end of FY 90, ARNG ADA will consist of one Vulcan/Stinger Battalion, one Duster/Stinger Battalion, three Stinger Battalions, eight Chaparral Battalions, and three Hawk Battalions.

In FY 91 the Duster/Stinger Battalion will convert to Stinger only and a Hawk Battalion will join the force. The continued modernization of the ARNG ADA units, located in 10 States, is a critical component of the combined arms team necessary to meet the needs of the Total Army. ARNG modernization is dependent upon the air defense systems being displaced from the Active Component by the new Forward Area Air Defense (FAAD) system and upon an increase in the ARNG ADA force structure.

FIELD ARTILLERY

Fielding of the M119 Light Gun System in ARNG units will commence FY 91. Several items of equipment for establishing a gun site and communication of fire direction information are of interest. The fielding of the Battery Computer System has been delayed, currently the ARNG has 47 percent of its requirements on hand. Dedicated Procurement action to further support Battery Computer System requirements is under consideration. The Position Azimuth Determining System (PADS) is currently being fielded and forty percent of the ARNG requirements have been filled. Fielding will continue through 2d Qtr FY 91 when two thirds of the ARNG requirements will be met. The fielding of a battalion set of Multiple Launch Rocket Systems (MLRS) to the ARNG in FY 92 will increase the MLRS fielded to the ARNG to two sets.

There are several programs which will improve the efficiency of the ARNG howitzer units with the focus on the M109 Self-Propelled Howitzer. First is the Howitzer Improvement Program (HIP) which is funded to upgrade Active Component FA units and their ARNG roundout units. Second is the Reserve Component Modernization of Artillery Systems (RCMAS) program. This program will provide new gun tubes and gun

mounts for all ARNG (and USAR) M109 155mm Self-Propelled Howitzers, except those in the HIP program. The new tubes and mounts will increase the range and improve the combat effectiveness of ARNG FA units. The final program is the Nuclear, Biological and Chemical (NBC) Product Improvement Program (PIP). This will increase the survivability of the ARNG's M109 Howitzers in the NBC warfare environment. The net result of these programs, all scheduled for completion in FY 93-94, will be an increase in the firepower and survivability of the ARNG's M109s. The aging fleet of M110 8 inch Self-Propelled Howitzers will not receive corresponding improvements. The ARNG is currently short both the M109 and M110 Howitzers.

The shortage of these howitzers has prevented the ARNG from transitioning to the 3 by 8 configuration from the 3 by 6 configuration currently in effect.

AVIATION EQUIPMENT

The ARNG is participating in the Army's Aviation Modernization Plan (AAMP). This plan includes 12 attack helicopter battalions (AH-64 Apache advanced attack helicopter) to be fielded to the ARNG. Four AH-64 battalions will be fielded by the end of FY 90 and the remaining eight by FY 94. The modernization of CH-47A/B/C helicopters to the CH-47D has also begun with the ARNG receiving its first eight CH-47D aircraft in FY 89. By FY 94, the ARNG will have received 96 of its required 112 CH-47D medium lift cargo helicopters.

Although the ARNG is beginning to modernize its aging helicopter fleet, we are still faced with shortages that will impact on force readiness into the late 1990s. These shortages exist in attack utility, scout and heavy lift units. In FY 90, the ARNG will have 33 corps or divisional units that require attack helicopters. Of these, the ARNG inventory of AH-1S Cobra helicopters is scheduled to increase with the fielding of Apaches to the Active component. As Apaches displace Cobras in the Active Army, the Cobras will be transferred to ARNG units. Seventy-seven AH-1 Cobra helicopters are required by ARNG units to replace the UH-1Ms over the next 2 years.

The ARNG continues to look at innovative ways to manage shortages in the ARNG utility helicopter fleet. The vast majority of the current fleet consists of over 1,100 Vietnam era UH-1H aircraft. The AAMP addresses the problem of our aging UH-1H fleet and over the next 6 years, will provide a limited number of UH-60 Blackhawks to designated ARNG units.

In FY 90-91, the ARNG will receive 16 C-23, two C-12, and two C-26 aircraft as a result of Congressionally directed procurement. This will dramatically improve our aging fixed wing fleet; however, we will still be short 52 first line fixed wing aircraft to meet mission requirements. The balance of fixed wing requirements are filled by the aging/substitute U-8/T-42 aircraft. This use of substitutes, again, places the ARNG in the position of having to train with aging aircraft since over 50 percent of our fixed wing fleet is more than 20 years old. ARNG aviation requires 5,917 of the AN/AVS-6 (ANVIS) Night Vision Goggles for its flight crews. There are only 200 ANVIS in the ARNG so training is being done with the 2600 AN/PVS-5 Night Vision Goggles in Aviation units until more ANVIS are received. This shortage of Night Vision devices may prevent aviators in ARNG from achieving the goals of 100 percent mission trained until FY 91 or later. Until all ARNG aviators are NVG qualified and mission trained, units will only have night operational capability with selected crews. The impact on the Total Army's ability to achieve sustained NVG operations could be impaired if the ARNG is not provided sufficient NVG to achieve 100 percent qualification.

ORGANIZATIONAL CLOTHING AND EQUIPMENT

OCE shortages continue to be reduced through FY89. Due to the tight budget in the OCE area, it appears that the shortfall will start to increase in FY90 from the FY89 level (\$257M). This backlog was at an all time high of \$400 million in FY86.

The Army is engaged in efforts to enhance the improved and modernized OCE which includes Extended Cold Weather Clothing System (ECWCS), Field Pack Large with Internal Frame (FPLIF), Individual Multi-Purpose Shelter (IMPS), Individual Tactical Load Bearing Vest (ITLBV), Multi-Purpose Rain/Snow/CB Overboots (MULO), Extreme Cold Weather Sleep System (ECWSS). These items are needed to improve survivability for the individual soldier on the modern battlefield by providing state-of-the-art, weather resistant, camouflage and ballistic protective clothing and equipment.

During FY88 the ARNG procured additional camouflage screens and support sets because they were available in large quantities for the first time in 5 years. At the end of FY88 an additional \$25M was reprogrammed specifically for camouflage screens and support sets. These sets were received during FY89 bringing the ARNG on-hand status to 87% as of February 1990.

MAINTENANCE SUPPORT

ARNG ground Operating Tempo (OPTEMPO) is fully funded in FY 91 at 288 miles to maintain adequate readiness. High priority units are expected to achieve C2 readiness levels. Lower priority units will continue to maintain C3 levels. This OPTEMPO level is consistent with previous years and compares favorably with the Active Army ground OPTEMPO program. As the level of equipment and the level of effort increases, additional resources may be required.

The Air OPTEMPO is fully funded at 8.9 hours per crew per month. This index represents a total Flying Hour Program (FHP) of 431,700 hours, and is designed to provide sufficient hours for all aviators to accomplish individual and collective training tasks outlined in the appropriate aircrew training manual (ATM) for the aviators assigned aircraft. The FHP also provides for mission support requirements for the several States as well as mission requests from NGB, DA and DOD.

Army National Guard equipment readiness is at its highest level ever due to continued modernization, enhanced training, and effective maintenance management programs. The substantial operating funds programmed to support FY91 maintenance requirements provide the vital resources needed to support training OPTEMPO and to continue the sustainment of ARNG equipment at a level of readiness commensurate with limited military technician manning levels.

The ARNG Depot Overhaul Program is one of the key contributors to an improved ARNG materiel readiness posture. This Maintenance Program has provided the resources needed to sustain with very good results, the reliability of all older models of equipment in the ARNG inventory. The FY91 Depot Overhaul Program which is funded \$8.4 million below the FY90 funded level, should be adequate to support the ARNG FY91 readiness goals of 90 percent Fully Mission Capable Equipment. However, the FY91 Depot Overhaul Program funding constraints will cause a growing backlog in depot overhaul requirements.

D. READINESS

The Army National Guard resource and training levels have shown improvement overall between October 1988 and October 1989. This increase is attributed to a 5% improvement in equipment on hand and a 4% improvement in equipment condition. Continued use of the Equipment Readiness Analysis (ERA) Program, Dedicated Procurement Program, and intensive management of ARNG units and assets have been key elements in these equipment resource area improvements. Even with funding constraints, the Army National Guard has improved its readiness levels by 22% since October 1985.

Due to shifting demographics, personnel category levels had a slight fluctuation during the past fiscal year, but, by the October 1989 Unit Status Report (USR), there was 1.27% improvement in personnel. To offset any negative demographic trend, the ARNG has taken aggressive action to manage sustainment of the current force structure, which includes considerations for restationing units to States that can better support force structure with personnel.

Additionally, increased emphasis has been placed on maximizing unit training and enhancing training levels which are critical to maintaining the Army National Guard's force capability within the Total Army.

Based on these initiatives, the Director, Army National Guard has set specific mobilization readiness objectives for resourcing high priority units, reinforcing the "first to fight, first to be resourced" concept. Managing all units in a C4 or C5 status toward achieving C3 on projected dates and targets for increases in ARNG resource and training category levels in all units are also quantified by stated objectives.

Equipment shortages continue to adversely impact on bringing a substantial number of ARNG units to a fully sustainable wartime posture. In addition, requirements for new facilities and improvements to existing facilities to accommodate expanding maintenance, security and storage of equipment has outpaced construction funding levels. Equipment shortages and facility construction backlog will be a constraining factor in ARNG units achieving the highest possible levels of readiness.

Overall, the ARNG is in a better posture than in any previous period, however, with slowing of force modernization, sustainment and continued improvements in the ARNG readiness posture requires emphasis on acquiring additional resources from Headquarters, Department of the Army and Congress.

E. FACILITIES

The Army National Guard has undergone significant force structure changes during the past 10 years and has been assigned additional wartime missions. Modernization of supporting facilities is a vital part of total readiness. Policies developed to provide adequate and functional facilities and infrastructure must, at a minimum, maintain the existing inventory and invest in a logical and prudent revitalization construction program. Through such revitalization efforts, the statement is also being made to the State and local community as well as to our Guardsmen and women that the Army recognizes a commitment to the "Citizen-Soldier" by investing in modern facilities where they work and train. In return, such investments have high paybacks in improved morale, productivity, recruiting and retention, as well as improved warfighting readiness.

The backlog of construction needs continues to grow in spite of Congressional assistance to acquire additional facilities beyond those requested in the annual Military Construction programs. Annual funding support of operations and facilities upkeep has declined to the point that existing facilities are fast becoming unserviceable and may require premature replacement. Critical requirements have been identified for 487 armories, 218 maintenance shops, 73 expanded or replaced aviation facilities, 387 ranges and training site improvements and 39 other logistical support facilities.

The fiscal year 1990 Military Construction Budget request of \$114 million concentrated on modernized or new training ranges and regional centers, logistical and maintenance facilities for new weapon systems and armories for more intensive home station training to support our expanded missions. These facilities are becoming more complex and more costly to construct and maintain than in the past. The facilities required for aviation training, larger unit maneuver and weapons firing ranges must be compatible with the surrounding environment and available for year around use. Expansion of the local training area concept is a necessity to maximize training opportunities while reducing materiel operating costs. With the Congressionally added projects, the enacted Military Construction program provides \$223.49 million included 59 armory projects totalling \$86 million, 20 projects for training site cantonment facilities and education centers totalling \$31.7 million, 13 weapons ranges totalling \$13.8 million, 10 aviation facilities projects totalling \$11.1 million, 24 maintenance shops totalling \$33.4 million, 7 logistical support buildings costing \$7.2 million, 4 projects for miscellaneous facilities and land acquisitions

totalling \$28.7 million. The remaining \$19.1 million were approved for minor construction and planning and design efforts. As part of the authorizations package funding was reduced for the multi-purpose range at Camp Grayling, MI from \$14 million to \$7 million with language directing the remaining funds required be secured later.

F. INFORMATION MANAGEMENT

The ARNG Information Management Plan (IMP) provides a comprehensive list of 142 major initiatives needed to fully automate the ARNG. In FY90, the ARNG received funding to continue developing applications as identified in the IMP and, in addition planning for and executing the Burroughs to Sperry migration. In FY91, \$6.0 million is budgeted to support such IMP initiatives as the migration from the Burroughs to Sperry system, and applications on that system will be started during FY 90.

The ARNG has focused on the transfer of secure information through the upgrade of AUTODIN terminals, the placement of over 800 Secure Telephone Units (STU-III) telephones, and the implementation of an encrypted electronic mail/data transfer system. This focus provides the ARNG the capability to pass critical sensitive information in a timely manner.

G. SAFETY

In FY 89 the ARNG Safety and Occupational Health Program made significant strides in accident prevention. Overall Class A through C ground accidents were down by 30 percent, fatalities were down by 16 percent, Privately Owned Vehicle (POV) accidents were 7 percent less when compared to FY 88 totals. The aviation Class A accident rate was 2.20 per 100,000 flying hours with the Class A-C rate being 7.56, as contrasted to 2.09 and 8.03 Armywide respectively. Significant accident reductions in ground and POV accidents were the direct result of specially targeted campaigns aimed at key task errors. The ARNG implemented the Hazard Communication Program in accordance with Public Law and DoD policy thereby successfully fulfilling the employee "right to know" mandate. Future accident reduction initiatives will further improve combat readiness by avoiding the cost of needless accidents.

V. CONCLUSION

The future holds many challenges and opportunities. In the face of constrained budgets and the reevaluation of national military strategy based on current international political events, the Army National Guard must be willing to change and adapt. We must continue consolidate our gains to maintain the high levels of readiness that have been achieved over the last decade. As changes in national strategy are developed, the ARNG will become increasingly more important in our nation's defense. A combat-ready ARNG throughout the 1990s is an essential element of this strategy and is a cost effective element during this time of constrained resources.

Current budget constraints impede the ARNG from achieving higher readiness levels, and continued cuts will impact on our ability to maintain our current high level of readiness. To continue support of the individual soldier and ARNG units, I want to focus any increases in resources to sustain or increase readiness. To accomplish this, I have established the following priorities: increased full-time manning, increased Operating Tempos; increased participation in training exercises sponsored by both the JCS and Active Army; and increased modernization of our ARNG equipment inventory.

The ARNG is a combat-ready force due to the dedication of all of our soldiers and leaders. The individual soldier has been willing to train extra hours and, when required, to deploy to distant training areas to gain as much expertise as possible on the latest tactics and equipment. The leadership of the ARNG is committed to finding new and innovative ways to train, motivate and provide the best combat ready force in the most cost effective manner.

The Army has been fully supportive of the ARNG as an equal partner and has provided the latest equipment and unparalleled training opportunities. The Congress has been willing to direct the necessary funding to crucial programs which make the ARNG a vital part of the Total Army. The partnership between the ARNG, the Army, and the Congress has worked well to fashion an ARNG fully capable of serving as an "Army on Call" - for this nation's defense. We - The Army National Guard - seek your continued support.

SUMMARY STATEMENT OF GENERAL WARD

General WARD. I am pleased to be here representing more than almost 650,000 citizen soldiers of the Army Reserve and more than 124,000 retirees with hip pocket orders.

Thank you for the opportunity to submit the statement for the record. I will summarize those comments.

As we enter the 1990s both the Army Reserve and the Total Army, of which it is an integral part, are confronted with unprecedented changes in the world and in strategic defense requirements. These changes have produced a climate that requires a fresh analysis of the size, structure, mix, mission, and stationing of defense forces worldwide.

Although the analysis is not complete, we certainly will see a smaller Army that may well be more confined to American territory. This will undoubtedly necessitate corresponding changes in the Army Reserve and the role it plays in the total force, particularly in providing support units and rounding out the active force.

Reserve forces are particularly well suited to meeting contingencies and augmenting active component units. A prime example is the superb performance of reservists in Panama in Operation Just Cause. Given the reductions in Army Reserve personnel that have occurred as a result of fiscal constraints, and considering the further potential reductions imposed by future Gramm-Rudman-Hollings cuts, keeping our reserve force highly trained and effective is essential.

We are all facing unique political and strategic challenges in the face of declining resources. Dealing with uncertainty and turbulence will without any doubt dominate the agenda of the Army Reserve and the total Army. However, we fully expect the Reserve to remain an essential element in the planning for contingencies.

PERSONNEL

The Reserve Personnel Army (RPA) budget request for fiscal year 1991 is for \$2.3 billion, an increase of \$136 million over the fiscal year 1990 amount when we met and achieved end strength in all categories.

Troop program unit end strength for the Army Reserve was 290,000 at the end of fiscal year 1989. By the end of fiscal year 1990, this number of drilling reservists is expected to decline to 281,000 and remain at that level throughout fiscal year 1991. The savings generated in fiscal year 1991 by this strength reduction will allow for some improvement in training support.

Beginning with fiscal year 1991, we must make difficult choices between retaining existing structure and activating programmed structure in the face of constrained funding. We will predicate our decisions upon an objective analysis that structures a USAR force that best meets both warfighting and contingency requirements of the 1990s.

OPERATION AND MAINTENANCE

The OMAR budget request for fiscal year 1991 is for \$890 million, an increase of \$18 million over fiscal year 1990. This amount will be adequate to support an existing level of readiness although

the impact of inflation and pay raises limits our ability to make improvements.

PROCUREMENT

The level of Army Reserve equipment on hand continues to improve. One of our predecessors from the Secretary of Defense's office noted that over 80 percent of the equipment is available to the Reserves of all services. Reserve has only 59 percent of its equipment.

Since fiscal year 1981, the Army Reserve has received approximately \$1.5 billion of equipment from the combination of the Dedicated Procurement Program and normal Army procurement, and we are grateful for the congressional support that is responsible for the funding of these equipment purchases. It has substantially improved Army Reserve training and mission capabilities.

In sum, there has been significant progress, in many areas of the Army Reserve's operations. While the uncertainties of the years ahead present many challenges, I remain fully confident the Reserve Components, properly staffed, resourced, and trained can continue to do the jobs and accomplish the missions assigned to them.

[The statement of General Ward follows:]

STATEMENT OF MAJOR GENERAL WILLIAM F. WARD

Mr. Chairman and Members of the Committee:

I am pleased to be here today representing the more than 600 thousand citizen-soldiers of the Army Reserve and the more than 124 thousand retirees with hip pocket orders, to present the Fiscal Year 1991 Reserve Personnel, Army (RPA) and Operation and Maintenance, Army Reserve (OMAR) appropriation requests.

As we enter the 1990's, both the Army Reserve and the Total Army, of which it is an integral part, are confronted with unprecedented changes in the world and in strategic defense requirements. These changes have produced a climate that requires a fresh analysis of the size, structure, mix, mission, and stationing of defense forces worldwide. Although the analysis is not complete, we certainly will see a smaller Army that may well be more confined to American territory. This will undoubtedly necessitate corresponding changes in the Army Reserve and the role it plays in the Total Force, particularly in providing support units and rounding out the active force. Reserve forces are particularly well suited to meeting contingencies and augmenting active component units. A prime example is the superb performance of Reservists in Panama in Operation JUST CAUSE. Given the reductions in Army Reserve personnel that have occurred as a result of fiscal constraints, and considering the further potential reductions imposed by future Gramm-Rudman-Hollings cuts, keeping our reserve force highly trained and effective is essential.

We are all facing unique political and strategic challenges in the face of declining resources. Dealing with uncertainty and turbulence will without any doubt dominate the agenda of the Army Reserve and the Total Army. However, we fully expect the Reserve to remain an essential element in the planning for contingencies. We also are particularly well suited to perform the role of managing the transition of soldiers departing the active component in a downsized Army.

The Reserve Personnel Army (RPA) budget request for Fiscal Year 1991 is for \$2.3 billion, an increase of \$136 million over the Fiscal Year 1990 amount. It supports a selected Reserve end strength of 309,200 (the same as our sequestered Fiscal Year 1990 end strength, and 10,000 less than Fiscal Year 1989's end strength). The savings generated in Fiscal Year 1991 by this strength reduction will allow for some improvement in training support. Troop program unit end strength for the Army Reserve was 290,000 at the end of Fiscal Year 1989. By the end of Fiscal Year 1990, this number of drilling Reservists is expected to decline to 281,000 and remain at that level throughout Fiscal Year 1991; however, we will be able to meet our current mission requirements with this number.

Beginning with Fiscal Year 1991, we must make difficult choices between retaining existing structure and activating programmed structure in the face of constrained funding. We will predicate our decisions upon an objective analysis that structures a USAR force that best meets both warfighting and contingency requirements of the 1990's.

Given the recent unprecedented events in Europe and Central America, foretelling all of the ramifications facing the Army is almost impossible. However, this uncertainty makes maintaining the Reserves readiness all the more essential. The single most essential factor in determining Army Reserve readiness is full time support. Full time support personnel allow drilling Reservists to spend their limited training time actually training by administering, planning, and performing maintenance and logistical functions for their units. AGR personnel also provide commanders increased flexibility to perform their missions because of their availability as a 24-hour asset, specialty training, and relocation to meet worldwide Army

Reserve requirements. It is the presence of full time support personnel, especially our AGR soldiers, that has allowed the Army's leadership to assign increased missions confidently to its reserve components.

The relatively small number of AGRs and other full-time support personnel successfully enables reserve component units to replace more expensive active component units. In this sense, the investment in AGRs and Army Reserve technicians is particularly prudent. In terms of the Total Army's ability to expand its mobilization and readiness capacity, the return on this investment is especially significant in these days of severely constrained budgets.

The Individual Ready Reserve (IRR) is the Army's principal source of trained military personnel to serve as replacements or filler personnel for both active and reserve component units. Supporting the Total Army, the IRR constitutes the nation's largest pool of deployable and trained manpower. IRR strength has grown from 213,000 in Fiscal Year 1981 to a Fiscal Year 1989 end strength of over 274,000. However, as the result of downsizing the active Army and the effects of the 8-year military service obligation, the IRR is expected to grow to 431,965 by the end of Fiscal Year 1991.

During Fiscal Year 1989, Army Reserve units and soldiers participated in a wide variety of training activities that improved readiness and our ability to support augmentation and contingency operations. Approximately 1,400 Army Reserve units/cells comprised of almost 18,000 soldiers participated in overseas deployment training. Over 28,000 Individual Ready Reserve soldiers (18,286 officer and 9,930 enlisted) performed annual training, active duty for training, or active duty for special work tours. 56,153 IRR soldiers (11,066 officer and 45,087 enlisted) reported for one day of active duty as part of the IRR screening program. Approximately 2,000 Army Reservists volunteered for active duty in support of Operation JUST CAUSE in Panama.

The Fiscal Year 1991 request also includes \$56.2 million for incentives and \$12.5 million for education benefits. These programs are a major element in maintaining our unit strength and in fulfilling mission requirements. The incentive program pays a variable bonus to persons enlisting in the Army Reserve in specific critical skills or high priority units, and it reduces critical skill shortages in both troop program units and the IRR. The education benefit program helps build a stronger, smarter Army Reserve. These programs are complementary and both are essential to attaining our strength goals. Of particular importance are the Montgomery G.I. Bill and its "2 X 2 X 4" option. It is attractive to both members of the civilian community and soldiers departing the active component, and the education it provides benefits both the Army and the national economy. Furthermore, our overall success in bringing these active component soldiers into the Army Reserve shows how well we can perform the increasingly important task of transition management.

The OMAR budget request for Fiscal Year 1991 is for \$890 million, an increase of \$18 million over Fiscal Year 1990. This amount will be adequate to support an existing level of readiness although the impact of inflation and pay raises limits our ability to make improvements.

The level of Army Reserve equipment on hand continues to improve. Since Fiscal Year 1981, the Army Reserve has received approximately \$1.5 billion of equipment from the combination of the Dedicated Procurement Program and normal Army procurement, and we are grateful for the Congressional support that is responsible for the funding of these equipment purchases. It has

substantially improved Army Reserve training and mission capabilities.

Continued concern must focus on problems in our \$63.6 million dollar Fiscal Year 1990 maintenance and repair backlog. The gap between our requirements for facilities and our ability to fund these requirements continues to widen. Because of this, your continued support of our facilities budget is essential for us to maintain Reserve readiness and to prevent any exacerbation of an Army Reserve construction backlog approaching \$2.4 billion dollars.

In sum, there has been significant progress in many areas of the Army Reserve's operations. While the uncertainties of the years ahead present many challenges, I remain fully confident the Reserve Components, properly staffed, resourced, and trained can continue to do the jobs and accomplish the missions assigned to them. Furthermore, by virtue of their being part-time, the citizen soldiers of our reserve forces are, in these days of tight budgets, the best bargain in DoD. Your continued help and support is absolutely necessary if we are to continue to meet the requirements of today's rapidly changing world.

FORCE STRUCTURE

Mr. AuCoin. Thank you, General. We appreciate both of your statements.

Last year the DOD Appropriations Act provided for increased funding and manpower to restore force structure reductions that were proposed in fiscal year 1990. In addition, the conferees stated that for fiscal year 1991, Army force structure reductions based solely on budgetary considerations should be held in abeyance pending the DOD study on total force policy, force mix and the military force structure required by Section 1101 of the National Defense Authorization Act of 1990.

Of particular concern to the committee is the draw down of Army Reserve and Army National Guard end strength in fiscal year 1990, contrary to congressional intent and guidance. General Ward, would you like to tell the committee why this decision was made to reduce these forces in fiscal year 1990, contrary to the guidance that this committee gave you?

General WARD. I would be very happy to comment upon that.

The fiscal year 1990 reductions made in the Army Reserve were totally Gramm-Rudman-Hollings driven; it is a matter of dollars, and we did not enjoy any reprogramming efforts. Therefore, in order to comply with the law, we were forced to draw down \$33 million of structure, which amounts to 9,500 soldiers.

I might say, tangentially, that is extremely painful right now because we don't have people who want to leave. We are forcing people out. In a different vein, we are not able to allow them to join to improve strengths in the medical area. Those 9,500 soldiers have precipitated the force structure reductions plan in 1991. We are in a sense, making the "face issue" in 1990 become a "space issue" in 1991.

Recognizing that, while fully supporting the President's budget, I view that the proper—

Mr. AuCoin. Painful as it is, you support the budget?

General WARD. Mr. Chairman, I fully support the President's budget.

Mr. AuCoin. With pain, it will be recorded, that the General supports the budget.

General BURDICK, is that answer roughly your answer, too?

General BURDICK. Mr. Chairman, let me comment on that. I think I should point out that the 10,000 loss in the Army National Guard is actually in end strength and not in structure this fiscal year. We were directed to take out 10,000 faces or personnel and not any particular units.

Unlike General Ward—

Mr. AuCoin. Wait a minute. You had a pull down by 10,000 personnel?

General BURDICK. That is right, 10,000 personnel.

Mr. AuCoin. From units?

General BURDICK. From units throughout the United States.

Mr. AuCoin. Were any of those units fully manned?

General BURDICK. Yes, sir.

Mr. AuCoin. You said they were fully manned?

General BURDICK. Yes, sir. A lot of them are fully manned, even over strength.

Mr. AuCOIN. Go ahead.

General BURDICK. We were not directed to take down 10,000 personnel as a result of any Gramm-Rudman-Hollings reduction, but there was a problem with some of our pay accounts. When the Army directed that the active component and U.S. Army Reserve take down some of their end strength, we were also directed by the programmers to take down some 10,000 Army National Guardsmen to garner funds so that we could improve our pay accounts.

The alternative would have been to curtail training or to curtail some of our weekend training assemblies.

Mr. AuCOIN. Those are budgetary considerations that caused you to do that. You have the congressional guidance in last year's Appropriations Act indicating that this committee did not want that to happen. So what do you expect this committee to think of that, today as you stand before this committee asking for this year's budget?

General BURDICK. Sir, like General Ward and the others that testified prior to my testifying, we were directed to take this down. No one likes to lose force structure. That is why I pointed out that we were not directed to lose any units. That will come in fiscal year 1991.

This year we are directed to take out the 10,000 end strength.

Mr. AuCOIN. You were also directed not to do that by this committee. I guess that was guidance you felt you could ignore?

General BURDICK. No, sir, not at all.

Mr. AuCOIN. Well, you did ignore it.

General BURDICK. Sir, I was directed to take down the end strength of the Army National Guard.

Mr. AuCOIN. General Ward, you indicated that you got caught in a Gramm-Rudman situation, and then in the absence of reprogramming you had to come down. Is that your testimony?

General WARD. That is correct.

FISCAL YEAR 1990 REPROGRAMMING REQUESTS

Mr. AuCOIN. That leads me to this question. The services requested reprogramming authority to offset the effects of sequestration on their military personnel accounts.

Why haven't the Army reserve components been allowed to recoup their losses?

General WARD. I am not in a position to answer that because I don't know what the answer is.

Mr. AuCOIN. Did you ask?

General WARD. We had hoped to participate in reprogramming from active accounts to reserve accounts. The only other account I have is the OMAR account and I have insufficient accounts within the OMAR account to help out any way reasonably the RPA account.

Mr. AuCOIN. Did you make it known that you wanted a reprogramming request?

General WARD. Mr. Chairman, never in the building is the Office of the Chief of Army Reserve known for its reticence.

Mr. AuCOIN. Then you did make it known?

General WARD. Yes.

Mr. AuCOIN. But you were denied?

General WARD. The decision making process in which we usually participate was not utilized for the reprogramming.

Mr. AuCOIN. That is what I said. You were denied?

General WARD. Quite so.

Mr. AuCOIN. What impact did the sequestration have on your ability to meet your commitments?

General WARD. This year, with its personnel reductions we will see an impact short-term on readiness. As we bring the force down, we won't have a perfect geographic match with the readiness requirements.

I would say that not all structure decisions in 1991 will be budget driven. Some decisions will be based on a change in doctrine.

Some changes concern units that we planned to activate but had that action deferred, in some cases because of doctrine changes. About half of the cases of that figure of 9,000 concern units that would be better served by realignment rather than reduction.

If I might be permitted about a minute, I would give you an example which makes this fairly graphic.

Mr. AuCOIN. I hope what you are telling me gives me some idea of what this sequestration had on your ability to meet your commitments.

General WARD. The sequestration in 1990 clearly hurt our ability to meet our training requirements.

Mr. AuCOIN. By how much? Can you give us some quantification?

General WARD. A substantial number of soldiers could not go through professional development and education; I have again to provide it down the road. This is not enough to debilitate the force, but it is going to degrade readiness. We will see it in October, and we will see it in the April report, which will be out very shortly. This will perhaps interrupt that steady stream of improvement we had.

In October 1985—I don't want to give any classified numbers, so I will make them fairly generic—the readiness percentage of reserve units was in the mid-30s. Since that time, we have added in excess of 200 units. We have now more than doubled the 1985 readiness percentage.

However, I will be unable improve the readiness rating much more because of sequestration. That will probably be its most visible result.

RETENTION OF PERSONNEL

Mr. AuCOIN. In his statement, Secretary Duncan mentioned that he is particularly concerned about the readiness of certain early deploying combat support and combat service support units. Since there is a serious shortfall of these personnel, what good can come from actually removing these personnel from their units now and then trying to recruit new personnel in the future?

General WARD. Mr. Chairman, we are not really short personnel in those units at all. We have had an excess turnover in some kinds of units. I think we have to manage that.

For example, when the Army went to the "Army of Excellence" organization, it downgraded the structure in many units, making it very difficult for the 62 or 63 percent of our troops who go to college full time or part time. They are not willing to sit around to complete their full eight-year commitment in a unit as a private first class.

We have excessively high turnover in some of those units. We have developed an organizational structure including preassignment of people into Reserve units to come up with what we think is a sensible and cost-effective fix. We expect to complete some of those changes during this next fiscal year. Nevertheless, some of the realignment in changes in 1991 reflect things that make reasonably good management sense.

Mr. AuCOIN. Not all of them?

General WARD. No. Realignment in states in the Northeast like the State of New York where we have combined units in one area.

Mr. AuCOIN. When it is all said and done, aren't you going to be actually in many cases removing personnel from some units now and then trying to recruit replacements for those personnel in the future?

General WARD. Yes, but not necessarily from the same geographic area.

Mr. AuCOIN. Does that make a lot of sense?

General WARD. We hope with effective management and some—

Mr. AuCOIN. Does it make a lot of sense?

General WARD. It makes some sense.

Mr. AuCOIN. I am asking if it makes a lot of sense?

General WARD. Sometimes, Mr. Chairman, you have to make a tradeoff. There is no sense leaving a unit of highly qualified soldiers in a unit in a town that used to be 20,000 people but is now 7,000.

Mr. AuCOIN. It makes some sense?

General WARD. Some sense, but you have got to be specific on the units.

Mr. AuCOIN. Do you believe you will be able to recruit sufficient qualified personnel in the future if the need requires?

General WARD. I have no doubt. We are bursting and are at full strength right now. Our challenge is to take advantage of that human potential.

General BURDICK. Sir, I would like to comment on that.

As I mentioned, we are at the highest state of readiness we have ever been at. The Guard has no problem in recruiting. Overall, I am over 100 percent of assigned strength and required strength right now.

As was mentioned earlier, we do have certain areas of the country where we have a problem recruiting. What both General Ward and what the Army National Guard was going to do is to ship some of that force structure to other areas of the country that can support it.

I have, for example, in the State of Louisiana right now, 127 percent of authorized strength. Several other states are at 105 percent.

So the Guard can recruit. I have no doubt in the future that we will be able to continue this, particularly with the incentives provided in the Montgomery GI Bill.

General CONAWAY. Mr. Chairman, you have hit upon one of the major discussions and debates going on in the building right now, which is tying in with the Force Mix Study. The 10,000 reduction that these two gentlemen took last year in the formal sequestration that took place, in some areas would not have made a major difference because, in these years, they might have been down in strength. They have the two largest Reserve components and it may not have been noticeable. However, they are both bulging at the seams, so the 10,000 cut becomes more important.

Where will we level the active force? While we are waiting for that, what do we do with the Guard and Reserve? Do we leave them so they can absorb the active force reductions that take place? Do we bring them down at the same time? Do we take active down incrementally?

After we level the active off, do we still bring them down? This is all the great discussion and debate going on right now. I know that it is with you also. We want to take advantage of that great, highly trained resource that is going back to home town U.S.A., that this country has spent hundreds and thousands and millions of dollars to train and equip. However, the National Guard is basically full.

Mr. AUCOIN. If you keep cutting into sequestration and not being allowed to reprogram funds, you are going to lose that fullness?

General CONAWAY. That is correct. In fairness to them and in fairness to the Department of Defense as well, they required everyone in this period of large reductions to take a certain amount of cuts.

Mr. AUCOIN. How much sense does that make?

General CONAWAY. Probably not very much. We are regrouping and looking at all of it. The initial Army plan went out in January. Now, they are back to the drawing board. When they try to make some cuts to meet the Gramm-Rudman sequestration to meet the fiscal guidance, they start looking at the Guard and Reserve, but they don't have big procurement accounts and they don't have big R&D accounts to absorb some of those cuts.

They wanted to grab something from them, so they got military construction and a little bit of end strength. That is about all that's available unless you get into force structure.

TOTAL FORCE REDUCTION

Mr. AUCOIN. The disagreement I have with that, of course, is they could also take it from the active services, and they are not. I think what we are faced with is a situation in which the active forces inevitably are going to come down. The question is how much and when.

I think that for security reasons, we should place emphasis on reserves that are robust, ready, well equipped, and highly mobile. But, this blind meat cleaver approach to the budget dilemma that DOD finds itself in ends up making the reserves pay. It doesn't seem to make a great deal of sense because it is not thought out in

terms of what our security question needs to be in a changing world. Do you agree with that?

General CONAWAY. You make a good point. Proportionately, the cuts in the Guard and Reserve are smaller than the active ones right now. They are talking a bigger, cut more in procurement.

Mr. AuCOIN. General Ward?

General WARD. I would like to agree with you on that. I think as we shape this force, there are great opportunities in the reserve components. Take advantage of people leaving to build an even more credible deterrent force, by recognizing the overall reduced cost in the Reserve Components.

TOTAL FORCE POLICY STUDY

Mr. AuCOIN. On that study, the total force mix that you referred to, General Conaway, that is a study requested by Section 1101 of the Authorization Act of 1990.

What input did General Ward and General Burdick have on this study? Either of you two?

General BURDICK. Both General Ward and I are members of the committee. We also have personnel assigned there. I have a Colonel Doug Hollenbeck with the study group.

Mr. AuCOIN. Did they let you know the schedule of meetings?

General BURDICK. Sir, we have the schedule of meetings and we have been participating in the first few meetings we have had. This has just been kicked off this past month. In fact, on Monday, there is a meeting on call-up mobilization, and volunteerism. We will be attending on Tuesday another meeting of the principles. I have personally briefed Mr. Frank Tappard, who is the Executive Director of this Total Force Policy Study Group. I have briefed him and his staff on National Guard readiness, our capabilities and our force structure.

Mr. Chris Jehn, who is the Chairman, I have also briefed him. We are participating members of this group and intend to continue.

Mr. AuCOIN. General Ward?

General WARD. With both.

Mr. AuCOIN. You are both comfortable with the input you have had?

General WARD. Yes.

General CONAWAY. I am not a member of the study group, but the National Guard has two members, General Burdick, Director of the Army National Guard and General Killey, Director of the Air National Guard. I will be able to have input and play devil's advocate role in response to the report. This is same as the Secretary of the Services who are not members themselves either.

The Assistant Secretaries are also members of the Study Groups.

Mr. AuCOIN. If you end up having differences of opinion with the outcome of that study, and you need this committee to delineate your differences, will you do so?

General CONAWAY. Yes, we will. Right now it is in an open forum. We are hoping they will keep it that way. It is kind of a no holds barred thing at the moment.

Our biggest problem is the train already left the station last year with some personnel cuts being worked this year. I think the services are slowing that down drastically and trying to get back to what you all are saying.

OVERSEAS DEPLOYMENT TRAINING

Mr. AuCOIN. Mr. Miller, do you have questions?

Mr. MILLER. I have. I notice, General Burdick, that your statement discusses overseas deployment training. What I am wondering is why it is necessary to have that training overseas? I can think of a lot of reasons that sound good. We find in the United States some very hot weather and some very cold weather near the northern border in the winter time that would permit training under a variety of conditions.

Are we getting as much good out of overseas training as the dollars we are spending?

General BURDICK. Sir, I think so.

We take pride in the fact today that the Army National Guard is part of the Total Force. Our Army Guard trains anywhere in the world that the active component trains, often under austere conditions and where we cannot conduct the training in the United States. For example, in road building, because of certain environmental concerns or perhaps because of competing with private contractors, we cannot do large scale road building. We can do this in certain areas of the world, certain countries. We also provide humanitarian assistance and help to carry the flag, such as by our medical units that have deployed to various areas of the country.

In support of war plans, we participate in Team Spirit in Korea, display determination in Turkey, and in Germany and other European countries. We train anywhere in the world that the active component trains.

General CONAWAY. Mr. Miller, you hit on another excellent point. I foresee as the active components get drawn down, the Guard and Reserve are going to be asked to do more overseas training to show the flag and become more familiar with our allies and help cover the areas where the active components were of interest is the fact that the Guard doesn't have the large number of people stationed overseas with their families in Europe and the Pacific.

It is superb for retention, for our people in medical and engineering units to be able to go. It trains us to be ready to go, and to be alongside our allies if we are ever called upon to do so.

General BURDICK. Another positive aspect of this is the actual mobilization, deployment and the movement to a country overseas rather than go to a local training area within the states.

Mr. MILLER. I think it is good for us to have that on the record. Thank you.

Thank you, Mr. Chairman.

RESERVE COMPONENT AUTOMATION SYSTEM (RCAS)

Mr. AuCOIN. Thank you. I want to discuss in this hearing a series of questions on computers. Congress has struggled with the Army and the Defense Department for 12 years to field a modern computer system for the Army Reserve.

The system is called RCAS, Reserve Component Automation System. It is essentially to mobilize the Army during war time. Recent world events, seems to me, make it even more critical to have this today as traditional functions can be expected to be transferred to the Reserves, just as you and your colleagues were saying a moment ago.

General CONAWAY, given this Committee's interest in this, will you describe this briefly, but completely? Describe the status of the congressionally directed RCAS program?

General CONAWAY. Yes, sir, Mr. Chairman, I will.

Mr. AuCOIN. Is it fully funded in fiscal year 1991?

General CONAWAY. It is fully funded. I appreciate your and the committee's strong support of this. It is on track.

General Temple was the major force behind this and you all delegated this task to him. He undertook it with great vigor. He in his living trust, bequeath this to me. I have it and am charging on with the help of General Cary and Mr. Tompkins, who are here today.

The RCAS program is progressing well. The request for proposals was released in January. We now expect to receive the proposals from industry on 30 April, less than 30 days from now, and to award a contract this fall for competitive demonstration of two or more proposed systems.

Mr. AuCOIN. You are fully funded in fiscal year 1991. Are you fully funded in the out years?

General CONAWAY. Yes, the Army has fully funded this program through deployment of the critical elements of the system which I think is through fiscal year 1994. That is still on track at this moment.

Mr. AuCOIN. We in the Congress gave the program directly to the reserve components to manage. Has this approach been successful in your judgment?

General CONAWAY. Yes, it has. I have just gotten in on this and have been briefed on the history of it. These two gentlemen both have been involved in it, but I believe it has been successful.

General WARD. We are very pleased that our brothers and sisters in the Guard in about 1987 joined us in this enterprise. We have made substantially more progress in that period of time, working with the Guard, than we have in the preceding nine years. I believe, notwithstanding the fact that they are shoulders ahead of us in a number of areas, that we are due on, and steady as you go.

Mr. AuCOIN. What are the shoals that you see?

General WARD. All kinds of economic shoals. One never knows until we see what the proper situations are.

Mr. AuCOIN. Is the regular Army one of the shoals?

General WARD. There could be all kinds.

Mr. AuCOIN. What kinds of support are you getting from the Army today?

General CONAWAY. Sir, the Secretary of the Army, active Army, they fully supported the funding for RCAS.

Mr. AuCOIN. You are not getting any interference at this point?

General CONAWAY. No. We have an RCAS advisory council. They have been helpful. The Army Secretary has not supported giving the RCAS program manager the contracting authority. The Army

has retained the contracting authority that they believe they require for insuring the checks and balances in the system. We are working with them on that as we proceed on.

They have people out at our headquarters working with us. Thus far that seems to be working well.

Mr. AuCOIN. Is it working well enough, in your judgment, that the committee could withdraw the RCAS legislation at this time and simply require through report language instead of the current approach being maintained? Or, would we be better advised to stay with the language?

General CONAWAY. I think it might possibly be disruptive at this point to withdraw language concerning the RCAS program. The statute you have, clearly establishes my authority and responsibility with regard to RCAS and the participants in the acquisition process.

We have become familiar with the statutory limitations. However, there is one problem I need to mention that both Generals Burdick and Ward are having the statutory prohibition on the purchase of some mini and micro computers is having and could be withdrawn. I believe that the two components have demonstrated that they are in line and following your guidance.

Mr. AuCOIN. You indicated a schedule leading to a selection of contractors. When do you expect Army Reserve units to actually start getting the new computer equipment?

General CONAWAY. By the Fall of 1991.

Mr. AuCOIN. Fall of 1991?

General CONWAY. Yes; they should be receiving new computer equipment by the Fall of 1991, under the current plan.

Mr. AuCOIN. We have also legislated restrictions preventing the Army Reserve from duplicating RCAS' functions through in-house software development. Are these restrictions still necessary? Is the Army able to discipline itself without them?

General CONAWAY. We think they have got the discipline. I believe there should be no continuing restriction at this time on the distribution of existing software within the Army Guard and Army Reserve.

The appropriateness of other restrictions concerning software might require a more detailed analysis.

Mr. AuCOIN. Mr. Livingston and the Committee have some other questions for the record. That concludes this portion of today's hearing. Thank you all for your testimony.

[CLERK'S NOTE.—Questions submitted by Mr. Livingston and the answers thereto follow:]

CANDIDATES FOR BASE CLOSURE

Question. General Ward, I understand that the Army is considering some change to its January, 1990, Realignments and Candidates for Closure or Realignment List. I am told that some of these changes are being considered because of sequestration cuts. One of the units on the new list is the 4010th U.S. Army Reserve Hospital unit now located in New Orleans. The inactivation of this New Orleans Hospital unit will occur instead of the inactivation of a similar unit in California that was on the original list. Please explain.

I would ask if your staff can give my staff the complete details on this unit (and any others being considered for closure or realignment in Louisiana) before a final decision is made.

Army Reserve answer. The U.S. Army Health Services Command is reviewing all medical units in order to ensure the most capable and supportable medical force. The 4010th is one United States Army Reserve unit being discussed for possible inactivation. No decision on this unit has been made.

The Army Reserve will, as always, keep Congress fully informed.

Army National Guard answer. Army National Guard (ARNG) Structure will not be deactivated nor realigned prior to the completion of the Total Force Policy Study in December 1990. ARNG units totalling 9,842 spaces will be deactivated or realigned during FY 1991.

Question. The original inactivation list contained a good number of Army Reserve and National Guard units. Is it the Army's intention to proceed with some of these inactivations or realignments before the Department completes its Congressionally mandated study on force structure requirements? One aspect of this study was to cover the assignment of missions to the active and reserve components.

Answer. The Army Staff is actively studying these issues. No decisions have been made, as yet. Once decisions are reached, I would be happy to answer your questions.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston. Committee questions submitted for the record and the answers thereto follow:]

TOTAL FORCE POLICY

Question. A General Accounting Office (GAO) report entitled "DOD Guidance Needed on Assigning Roles to Reserves Under the Total Force Policy" states that criteria used by the services in decision-making to be largely informal in nature and there were no clear established parameters for the use of the reserves. The report further states that decision on the use of reserve components usually occurs as by-products of the overall force structure decision-making under planning, programming, and budgeting processes in each service. General Ward, do you agree with this assessment?

Army Reserve answer. Not entirely. Allocation of force structure to the Army Reserve is a function of the Total Army Analysis process, in which the OCAR staff is a full and active participant. We are in general bound by the traditional role of the USAR as a primary Combat Service Support force. Short of a full mobilization, employment of reserve forces is determined by the nature of the crisis.

Question. General Burdick?

Army National Guard answer. Army National Guard (ARNG) force structure is determined along with Total Army structure through the Total Army Analysis (TAA) process. This extensive two year process considers threat, warfighting Commanders-in-Chief (CinCs) requirements and missions. ARNG participates in TAA as a major player. To say ARNG force structure is a by-product of overall force structure decision making would be incorrect. These deliberate decisions are evidenced by ARNG structure designated as roundout brigades/battalions to active component divi-

sions. Currently, ARNG has six roundout brigades and nine roundout battalions to active component divisions. Additional evidence is the Capstone program. Under this FORSCOM managed program, ARNG units are aligned with their wartime chain of command as outlined in warplans. This program enables units to train to their wartime mission and establish a working relationship with senior and subordinate headquarters. Clear parameters and conscious decisions in establishing ARNG structure based on the aforementioned criteria is made every two years during the Total Army Analysis process.

Question. GAO recommended that force mix decisions should be made using criteria that addresses cost, force capability, training and recruiting requirements, and personnel availability. General Ward, do you believe Army force mix decisions based on the above criteria?

Army Reserve answer. Yes; the Army is reviewing its force mix policies and criteria on a continuing basis. Army structure is being reviewed to determine where structure needs to be changed in order to be supportable by the reserves. Our system for doing this is not perfect, but it is substantially better than it was four or five years ago. Of course, the changing threat and world environment have complicated that process exponentially.

Question. General Burdick, do you agree with his assessment?

Army National Guard answer. Force mix decisions should be made on the ability of an Army component to accomplish a specific mission. Some missions can be performed by active or reserve components equally as well. Other missions can be performed only by the active component as well as missions that are best supported by reserve components. Budgeting plays a role in the determination of force mix decisions but should not be the primary consideration. Commanders-in-Chief minimum risk force requirement should be the base as determined by the threat, mission and level of risk. At this point, affordability, becomes the next building block. Army National Guard (ARNG) force structure can assume missions previously not assigned to RC units. Forward deployed and contingency missions can be supported by ARNG units providing NGB is involved in all aspects of war planning. ARNG units can deploy rapidly and participate in operation such as the recent Panama operation if National Guard Bureau (NGB) is involved in the preliminary planning and execution. However, one must remember that to have any Reserve Component unit in a contingency, there must be some form of call-up authority. Guard participation in Total Army operations will strengthen the Total Force policy and provide our Nation with a cost effective, proper force mix Army that can be utilized to maximum efficiency.

Question. Many GAO reports have indicated that the Army reserve components do not get their fair share of Army resources, not only equipment, but overall policies governing utilization of total Army forces. General Ward and General Burdick, what recourse do you have when you review such reports? Do you meet with and work with the Active Army to solve your problems?

Army Reserve answer. There has been a substantial improvement this year in the interaction between the Active Army and the Army Reserve in the area of resourcing the Army Reserve. For ex-

ample, for the first time there is a separate Program Evaluation Group for Army Reserve programs. This body is chaired by an Army Reservist and reports its findings (to include unfunded requirement) directly to the Army's Program Budget Committee. In addition, also for the first time, the Army published separate POM guidance specifically for Army Reserve programs. The result of this increased attention is an improved resourcing outlook for the Army Reserve, especially for POM years, FY 92-97.

Army National Guard answer. The Army National Guard receives its resources in accordance with Army policies which field on a "first to fight, first to equip" philosophy. However, when Total Army requirements are not reflected in the President's budget due to monetary constraints, the ability to fully equip the Army National Guard is imperiled. At the end of fiscal year 1989, for example, the Army National Guard was \$6.9 billion short of the equipment necessary for total mobilization.

Question. It appears that no matter how many reports are issued citing poor policy planning by the Army for total force resources, nothing gets changed. Why can't you as head of your particular component get the Army to work with you to resolve your problems?

Army Reserve answer. The Chief, Army Reserve is the program manager and an advisor to the Chief of Staff. Execution of our programs is accomplished through field commanders. Support and management of the Army Reserve have been the subjects of numerous studies over the years. The Army is in the process of reviewing this issue in detail; the Congress has asked the Army to prepare a plan which would improve the CAR's direct authority, responsibility and accountability for the USAR.

Army National Guard answer. The Army National Guard surfaces its concerns with the Active Army not only over resourcing issues but also over those policies involving Total Army forces. The Army National Guard and Active Army staff structures facilitate open communication on a daily basis in order to resolve any discrepancies pertaining to requirements.

READINESS

Question. General Ward, last year when the Committee asked whether the reserve components were receiving equipment based on the "first to fight, first to equip" policy, you responded for the record that such programs as Department of the Army Master Priority List (DAMPL), the Total Army Equipment Distribution Program (TAEDP) and the Army Order of Precedence (AOP) were means to track the equipment levels in the Army Reserve. Do these systems actually work?

If all those systems are available, why then does it appear that the Army reserve components' combat support and combat service support units show significant shortfalls in equipment levels, including equipment necessary to meet minimum essential training needs?

Army Reserve answer. For fiscal year 1989, actual equipment receipts were \$294 million. A shortage of funds delayed delivery of the 7.5 ton crane, water trailers, and some High Mobility Multi-

purpose Wheeled Vehicles (HMMWVs) to the USAR until FY 1990. The DAMPL and TAEDP prioritizing systems work; however, CS/CSS units in a given Force Package are lower priority than combat units. Accordingly, the USAR (predominantly CS/CSS) has a \$4.1 billion shortfall in "go to war equipment" and that may affect the Army's ability to sustain itself on the battlefield.

Historically, the Army has insufficient funds to resource all priorities within the Program Objective Memorandum. This is especially true with declining Army budgets. The DAMPL prioritizes fill to units which deploy first. One third of the combat support and combat service support units in the USAR have second echelon missions in wartime; i.e., they arrive on the battlefield well after the beginning of hostilities and are therefore low priority for equipment fill. This presents a strong case to maintain and to make the Army's Minimum Essential Equipment for Training (MEET) program work.

Question. Last year the General Accounting Office (GAO) issued a report which stated that, while the Department of Defense has achieved its objective of a properly manned, equipped and trained combat force, it has been at the expense of Army combat-support and combat service-support forces.

The report specifically stated that "the Army reserve component forces in the combat-support and combat service-support areas have resource limitations that could severely affect their ability to carry out their assigned missions."

Now, this year the GAO is working on a report concerning the Minimum Essential Equipment for Training (MEET) program. Meet was initiated to identify equipment shortages which affect training and ensure that units had at least the minimum quantity to train effectively. The general consensus is that the Army has concentrated on programs to improve reported equipment readiness and put little emphasis on the MEET program.

General Ward and General Burdick, what is your impression of the MEET program? Has it proven to be beneficial to the reserve components?

How does the MEET program interact with the systems listed in your response to the record last year?

How does the MEET program interact with the Dedicated Procurement Program?

Army Reserve answer. MEET offers a vehicle to highlight chronic equipment shortages in low priority USAR units. Albeit small, the MEET program has been beneficial to USAR units because it has provided equipment to C-4 units that otherwise would not likely have received it through normal distribution. This equipment permits units some opportunity to conduct training during inactive duty training—weekends.

MEET provides one of the priorities for release of equipment and interacts with the systems listed in my response last year. The MEET program supercedes the priority established by the Department of Army Master Priority List. With this higher priority, identified MEET units receive equipment from all sources—new procurement (all types) and redistribution. The MEET program has no funds attached specifically to it. In contrast, the Dedicated Procurement Program (DPP) receives funds from the National Guard and

Reserve Equipment Appropriation to procure mission essential equipment for all Reserve units. By virtue of their established shortage, MEET units can receive (and have received) equipment procured with DPP funds.

Army National Guard answer. The Army National Guard is currently participating in a Department of the Army review of the MEET program to determine what is needed to assist Reserve Component training. Since the programs inception, the equipment posture and readiness of the ARNG has changed dramatically. Equipment on hand in MTOE units has increased from 61 percent to 79 percent. It is difficult to determine how much of this improvement is due to MEET and how much is due to other equipping programs.

To the best of my knowledge there is little or no interaction between MEET and any other systems such as Equipment Readiness Analysis.

There has been no interaction between the Dedicated Procurement Program and MEET. MEET provides equipment in quantities less than would be required to improve equipment readiness for the purpose of improving training. DPP has been geared toward improving equipment on hand readiness.

Question. General Ward, what is the current readiness of the Army Reserve?

Army Reserve answer. The readiness of the United States Army Reserve has improved measurably over the last five years due to the cooperative efforts of Congress, the Department of Defense and the Army leadership. While the size of the drilling reserve force has grown by over 94 thousand since 1981, the percent of soldiers considered trained (measured by the percent qualified in their Military Occupational Specialty or MOSQ) has remained at or near 70 percent. This number has risen to 74 percent as of May 1, 1990.

The primary readiness indicators used to measure the force are the four functional areas of personnel, equipment on hand, the operating status of that equipment or "equipment readiness" and the level of training. The current levels of readiness are compared with a baseline of October 1985. The April 1990 percentage of USAR units C1-C3 (with C5 units excluded) are: Personnel ———; Equipment On Hand ———; Equipment Readiness ———; Training ———. The overall readiness is ———, a ——— increase since the October 1985 baseline, again, due largely to the infusion of modernization capital in the form of Dedicated Procurement Program money. The increase in warfighting capability of the USAR is a success story to be shared by all responsible. The maintenance of this momentum during the next few years will require continued financial and legislative support.

Question. General Burdick, how about the Army National Guard?

Army National Guard answer. Between October 1958 and January 1990, there has been a 44% overall readiness improvement in Army National Guard (ARNG) C-C+30 units. Currently, ——— or higher. Excluding C5 units, which are units undergoing Headquarters, Department of the Army restructuring actions ——— or higher.

The early deploying Combat Support and Combat Service Support units Secretary Duncan refers to make up the 200,000 force.

While there has been an upward trend in ARNG unit resources and training levels during this period, 205 additional units have been added to the ARNG force structure. This positive trend is due to emphasis placed on recruiting quality personnel, continued receipt of modernized equipment, equipment crossleveling, and Congressional Dedicated Procurement funds. Although there have been significant improvements in ARNG unit status, critical shortages of medium tactical trucks, tactical communications equipment, test measuring and diagnostic equipment, fuel handling equipment, and organizational clothing and equipment still exist. Current budget constraints could prevent further increases in readiness. Continued positive trends are contingent on strong congressional support.

Question. General Ward, what is the status of the report on the proposed reorganization of the 76th and 78th Training Divisions as requested in the conference report on the FY 1990 Defense Act?

Army Reserve answer. The organization of the 76th and 78th Training Divisions is currently on hold pending analysis of future mobilization training base needs. When the analysis is complete it is the Army's intention to respond to Congress as directed.

Question. General Burdick, for the record provide a detailed explanation of the 1/108th Regimental Cavalry Squadron, MSARNG force structure elimination proposed for FY 1993.

Army National Guard answer. Army National Guard (ARNG) Force Structure proposed reductions is based on a Headquarters, Department of the Army plan. The 1/108th Armored Cavalry Squadron, MS ARNG was proposed for reduction because the unit does not have a defined wartime missions. To reach the massive numbers of proposed structure reduction, primarily large combat units had to be selected. Retention of this unit without an appropriate wartime mission was not justifiable. The squadron was organic to the 116th Armored Cavalry Regiment prior to 1 September 1989. On September 1, 1989, 116th ACR converted to a Heavy Separate Brigade and Roundout to the 4th Infantry Division (Mech). 1/108th ACS did not make this conversion thus losing its wartime mission. The unit was retained in the force as a separate armored cavalry squadron.

BASE REALIGNMENT

Question. The Army Reserve and Army National Guard are planning to close or realign many units in FY 1990 and FY 1991. For the record, provide a listing showing the State, unit, and personnel affected by reserve component and by fiscal year.

Army Reserve answer. We are not realigning or inactivating any Army Reserve units in FY 1990 as a result of mandated force reduction. Following is a list of Army Reserve units identified for inactivation in FY 1991 as part of the total Army force reductions. A zero in the assigned strength column indicates that the unit was a programmed activation that was cancelled.

CITY	STATE	UNIT NAME	ASSIGNED
W. MEMPHIS	AR	247TH CM CO SMK GNR	0
PHOENIX	AZ	19TH PLT SPT CO SF BN	29
PHOENIX	AZ	19TH MI PLT SF BN	29
PHOENIX	AZ	19TH MI PLT GP SF BN	31
PHOENIX	AZ	19TH MI PLT SF GP	29
CONCORD	CA	91ST LOG GP 91ST DIV	72
NOVATO	CA	6253TH HOSP 1K BED	749
PRES SAN FRAN	CA	6211ST HQ USAG HQ	284
SAN JOSE	CA	800TH QM HHC GRREG	0
SAN JOSE	CA	395TH QM CO GRREG	0
E WINSOR	CT	76TH LOG GP 76TH DIV	105
N HAVEN	CT	340TH HOSP 1K BED	426
GAINESVILLE	FL	3396TH USA REC STA	124
JACKSONVILLE	FL	20TH MI PLT CO SF BN	24
JACKSONVILLE	FL	20TH MI PLT CO SF BN	23
JACKSONVILLE	FL	20TH MI PLT CO SF BN	23
JACKSONVILLE	FL	20TH MI PLT CO SF BN	23
ORLANDO	FL	674TH TC MED TRK CTR	200
CHICAGO	IL	434TH HMB FA BDE	162
GLENVIEW	IL	65TH MAINT DET F/W	11
UNKNOWN	IL	634TH QM CO GRREG	0
BARDSTOWN	KY	396TH EN PANEL BR CO	73
LOUISVILLE	KY	100TH LOG GP 100 DIV	144
BOSSIER	LA	4013TH USAG HQ	283
BOSTON	MA	P001 TC CO CGO TFR	0
FT DEVENS	MA	307TH AG DET MAIL	14
ROSLINDALE	MA	195TH CS CO REP PRTS	81
OWINGS MILLS	MD	339TH CM CO DECON	46
MUSKEGAN	MI	486TH EN CO CBT SPT	169
BELTON	MO	369TH QM HHD BN GRREG	0
ROLLA	MO	471ST EN CO CONST	159
ST LOUIS	MO	USA MOB SPT DET	172
WIN-SALEM	NC	108TH LOG GP 108TH DIV	103
DOVER	NJ	322D HOSP 1K BED	421
EDISON	NJ	78TH LOG GP 78TH DIV	157
JERSEY CY	NJ	355TH EN DIVING TM	1
JERSEY CY	NJ	328TH EN DIVE C&S	2
FT TOTTEN	NY	307TH HOSP 1K BED	373
JAMAICA	NY	363D CM CO SMK GEN	74
MATTYDALE	NY	1209TH USAG HQ	291
WATERTOWN	NY	440TH MD CO CLEARING	90
CADIZ	OH	660TH TC HVY TRK CO	82
WILLOW GROVE	PA	165TH MAINT DET F/W	11
AUSTIN	TX	871ST EN BN CBT HVY	114
DALLAS	TX	236TH OD AMMO CO	206
HOUSTON	TX	283D QM CO GRREG	0
OGDEN	UT	356TH CM CO SMK GNR	0
OGDEN	UT	6TH BN 83D FA	320
RICHMOND	VA	80TH LOG GP 80TH DIV	233
VANCVR BKS	WA	104TH LOG GP 104DIV	139
YAKIMA	WA	332D CM CO SMK GNR	0
MILWAUKEE	WI	84TH LOG GP 84TH DIV	144

Army National Guard answer. Army National Guard (ARNG) will not remove any force structure during FY 1990. End strength was cut back by 10,000 personnel in FY 1990 bringing our paid end strength to 447,300. ARNG will eliminate or realign structure in FY 1991 once the Total Force Policy study is completed. The following list is force structure to be eliminated or realigned in FY 1991.

FY 91 ELIMINATION/REALIGNMENT

STATE	UNIT	AUTH STRENGTH
NJ	HHC, 2nd Brigade	81
NJ	1/102 Armor Battalion	540
NJ	5/102 Armor Battalion	540
NJ	2/114 Infantry Battalion	814
NJ	4/112 Field Artillery Bn	455
NJ	150 Forward Support Bn	469
NJ	50th Chemical Co	162
NJ	B Co, 104th Engineer Bn	166
NJ	C Co, 104th Engineer Bn	166
NY	HHC, 1st Brigade	95
NY	2/105 Infantry Battalion	709
NY	2/174 Infantry Battalion	709
NY	1/107 Infantry Battalion	709
NY	2/210 Armor Battalion	544
NY	1/187 Field Artillery Bn(105T)	469
NY	1/258 Field Artillery Bn(155T)	733
NY	C Co, 102d Engineer Bn	138
NY	E Co, 102d Engineer Bn	157
NY	E Btry, 105th FA, TAB	83
NY	42d Chemical Co	162
NY	587th Terminal Service Co	266
NY	C Co, 3/172d Infantry Bn	148

FY 91 PROPOSED
ELIMINATION/REALIGNMENT

RI	2/103 Field Artillery Bn	497
RQ	1450th Ammo Co	221
FL	427th Wire and Cable Co	166
RI	142d Air Traffic Control Plt	38
AK	207th Air Traffic Control Plt	38
DE	262d Heavy Equip Maint Co	238
OK	2120th Supply & Service Co	191

9704

Conversions in NY & NJ

138

9842

TECHNICIANS

Question. General Temple recently was quoted in a news article that he felt the technician program should be phased out. General Conaway, are these your views, or the views of the National Guard Bureau?

National Guard Bureau answer. The National Guard Bureau continues to support its mix-of-the-force plan. AGRs in deployable fighting units and Military Technicians in support activities. This plan incorporates the strength of the Military Technician program, long the backbone of full-time support, and the active Guard/Reserve program (AGR) to enhance readiness and ensure future combat capability. The National Guard needs the flexibility to manage its full-time force within the guidelines of this established plan. Increased full-time support, (both Military Technicians and AGRs), and proper program management, is necessary to guarantee future success.

Question. General Conaway, do you believe the military technician must be a drilling member of the unit, of the selected reserve?

National Guard Bureau answer. Military membership of our technician force is a key ingredient in ensuring a smooth transition to wartime mobilization. By virtue of military membership in a unit, the technician provides continuity from the technician work-week into the military training period providing the best possible training to our drilling guardsmen. Our drilling technicians are a mobilization asset allowing the National Guard to take full advantage of the expertise and experience they gain on a full-time basis. Consequently, military membership of our technician force is definitely in our best interests.

Question. General Ward and General Burdick, what are your views on the technician program?

Army Reserve answer. I value the technician program as a continuing mobilization asset in the Army Reserve. To better maintain the program in the 1990s, we are re-examining the technician conditions of employment to provide career stability for all members, especially those hired under the restrictive provisions of Public Law 101-165. We are surveying the technician community and meeting with the senior members this year to determine what changes will work best within the law in providing stability for the program and the technician.

Army National Guard answer. The Army National Guard fully supports the military technician program. We have a role for both full-time support programs. AGR and military technician. The technician program has been the mainstay of full-time support. I continue to see the military technician as a key element in our mix-of-the-force. In fact, the Army National Guard needs growth in both full-time support programs to ensure mission readiness.

Question. General Ward, why does the FY 1991 Army Reserve budget request 100 fewer technicians than last year?

Army Reserve answer. The request for 100 fewer technicians is a result of budget constraints in FY 1991. The number of technicians in FY 1991 is reduced to the number previously established in FY 1989.

ARMY CONTINUING EDUCATION SYSTEM (ACES)

Question. General Ward, why did the Army Reserve reduce the Army Continuing Education System (ACES) tuition assistance program in FY 1991? What will be the impact on recruiting and retention?

Army Reserve answer. Office of the Secretary of Defense (OSD) recently terminated, in fiscal year 1991 and beyond, funding for the Tuition Assistance Program (TAP) of ACES. The justification was that the recent expansion of the Reserve Component Montgomery GI Bill (RC MGIB) to less than half-time studies resulted in redundancy between the two programs. The RC MGIB expansion now provides a full range of benefits and somewhat duplicates the TAP at less than half-time, except TAP does provide assistance to those soldiers who are not covered by the RC MGIB and also covers those remaining Selected Reserve (SELRES) soldiers and those soldiers transitioning from the Active Component into the SELRES who do not possess a high school diploma. TAP is used to fund high school completion and independent studies for members of the United States Army Reserve (USAR). Funds from TAP are also used by the Defense Activity for Non-Traditional Education Support (DANTES). This organization provides educational services to the entire Department of Defense and supports the USAR by providing education publications, college credit through testing, and independent study courses. Additionally, the deleted funding paid for numerous Education Services Officers who manage programs other than TAP to include counselling our soldiers on the RC MGIB, the Selected Reserve Incentive Program (SRIP) and the High School Completion Program (HSCP). As stated above, the total elimination of TAP at this time is unsupportive of areas currently not covered by the RC MGIB or its current expansion. TAP may not be obviously linked with recruiting, but it is felt to be a major retention tool. Until the RC MGIB is further expanded for soldiers who do not possess a high school diploma or those that have need of the high school completion equivalency test, some funding for fiscal year 1991 and beyond should be provided.

Question. General Burdick, same question.

Army National Guard answer. The tuition assistance funds were eliminated by the Department of Defense in the FY 1991 budget process. The Army National Guard needs this program to be able to offer a comprehensive educational package which will meet the needs of all of our members. The Montgomery GI Bill is an excellent incentive for non prior service individuals who enlist for six years. However, we need the tuition assistance program to provide civilian education opportunities for prior service members who do not have a six year obligation. We also need the tuition assistance to provide for basic skills education and high school completion. This improves our soldiers' abilities to read technical manuals, operate new equipment, and complete formal training courses. While we have not isolated this one program as a significant recruiting factor, the impact on retention is believed to be significant since this is one of the benefits which makes Army National Guard membership a favorable experience. Given our current requirements for civilian education levels, this program should be funded for FY 1991 and beyond.

SPECIAL OPERATIONS FORCES

Question. The FY 1991 budget transfers the Special Operations Forces in the reserve components to a separate appropriation. Do you support the transfer of the Operation and Maintenance funds which supports the reserve component Special Operations Forces to the special appropriation?

Army Reserve answer. Yes, I support the transfer. However, we will continue to work closely with the Army's Special Operation Command to ensure adequate support for training and maintenance activities of the Army Reserve Special Operations Forces. As part of this transfer, funding for 177 military technicians is also being transferred. This will require a transfer of an equivalent portion of the statutory floor.

Army National Guard answer. If Army National Guard Special Operations Forces units are funded at levels comparable to prior years and mission requirements continue to be met then the Army National Guard fully supports the transfer of Operations and Maintenance funding to the special appropriation.

Question. Do you retain control over your Reserve Forces?

Army Reserve answer. No. Implementation of Goldwater-Nichols has effectively given Commander-in-Chief United States Special Operations Command operational control of our Special Forces, Civil Affairs and Psychological Operations units. For all practical purposes, he controls all resourcing associated with these units. The Army has recently activated a new Army Major Command (United States Army Special Operations Command) which now commands Active Component Special Operations Forces units, has Operational Control of United States Army Reserve units today, and is programmed to command United States Army Reserve Special Operations Forces when the transition period is complete in fiscal year 1992.

Army National Guard answer. Yes. A separate appropriation would not change existing command and control of Army National Guard SOF Forces. The respective State Adjutants General maintain peacetime chain of command over ARNG SOF units in their states.

Question. How can you be sure that the funds will be transferred back to you in a timely manner? Or that some of the funds will not be held back to support any unforeseen contingency?

Army Reserve answer. A Memorandum of Agreement between the Army and United States Special Operations Command has established procedures for these transactions. Coordination between Office of the Secretary of Defense, Army, and United States Special Operations Command is, and will continue to be, necessary to ensure the timely transfer of funds for unforeseen contingencies, but this is not anticipated to be a problem.

Army National Guard answer. The funding is supported by the existing fund distribution system and will not cause delays. The control and release of funds will be based on input from Army National Guard Special Operations Units through the National Guard Bureau to the United States Army Special Operations Command. The funding will be based on supportable justification based on

executable needs. The prospect of contingency funding remains throughout any appropriation to meet unforeseen needs.

Question. Of particular concern to the committee is control of technician force which supports the Special Operations Forces. Can the Special Operations Forces program adjust the number of technicians which support SOF? Can you assure the Committee that you do retain control over these personnel? Are the number of technician personnel contained in the total number which will be considered as a floor for the Army Reserve? What needs to be done to make sure that technician personnel are not adversely affected because Special Operations Forces are included in separate appropriations accounts?

Army Reserve answer. The transfer of Operations and maintenance accounts to the Special Operations Forces would include funds for 177 Army Reserve technicians. With separate appropriations, the US Special Operations Command (USSOCOM) would be able to adjust technician levels to meet support requirements. The Chief, Army Reserve, would not retain control over technicians working for USSOCOM, other than by publishing broad policy guidance in regulations. By law we have to include the numbers of technician personnel in the floor for the Army Reserve. Based on congressional direction, the Army is examining alternatives for giving the Chief, Army Reserve greater authority over Army Reserve units and resources. This may ultimately lead to the Chief, Army Reserve having more control over the technician force.

Army National Guard answer. There are no special restrictions placed on technicians because SOF falls under a new appropriation. The technicians can be thought of as either being in general support or dedicated support to the SOF mission. We have not moved the technicians from OMNG appropriation to the SOF appropriation. The reason we did not move them is because the majority of technicians supporting SOF are in general support and not solely dedicated to supporting the SOF. As an example, technician parachute riggers support not only SOF requirements, but also other state airborne requirements. This same logic applies to the maintenance and logistic support of SOF equipment. Technicians in Organizational Maintenance Shops (OMS) and Combined Support Maintenance Shops (CSMS) support both SOF and other state missions. Only a few technicians (34 nationwide) are truly dedicated to and assigned to SOF units. These personnel continue to be paid for out of OMNG. Increases to SOF technicians remain a function of MTOE/TDA structure changes and workload factors. We have retained control over these SOF technicians because they are managed the same as they were before.

Technicians supporting SOF are part of the ARNG floor.

As previously stated, because the number of dedicated SOF technicians are so few we have not changed the appropriation which pays for them. They remain "protected" by the floor. To require them to be paid for out of the SOF appropriation, with the same protection, would require additional Congressional wording and would place additional accounting workload on our system. Status quo is our recommendation.

DRUG INTERDICTION ACTIVITIES

Question. What specific interdiction actions have you performed so far this year, and please include planning functions as well as operational activities?

Army Reserve answer. One Army Reserve aviation company has completed three missions for the Commander in Chief, Atlantic. Several military intelligence detachments have also been active in drug interdiction. To date, most of the RC involvement has focused on the NG because of the flexibility allowed by their state role. We have, however, provided some support. Three Army Reserve Military Intelligence Detachments (MID) (417th MID, 423d MID, and 481st MID) are providing support to DIA's Counter Narcotics Branch. We are in the process of reviewing emerging missions with the Army Staff for appropriate use of USAR units and individuals, and we expect to play an increasing role as the CINC's requirements and the overall program mature.

Army National Guard answer. So far this year (as of April 24, 1990), 41 states have conducted 1,665 drug interdiction missions using 153,601 mandays. The results of support provided this year indicate we are being successful. The results are used to provide information to participating states and units on the "fruits of their labors".

There are 25 different types of missions that may be performed by the National Guard. These are either approved and funded or approved but not funded.

Planning for this year's activity actually began last year. States coordinate with supported law enforcement agencies and include requests in the plans submitted to the National Guard Bureau. Plans are then staffed and coordinated before final approval and funding by the Secretary of Defense.

Question. Do you get meaningful training out of your participation?

Army Reserve answer. Initial feedback is that the training has been excellent.

Army National Guard answer. Yes. Our guidance to the states is to assign missions to units and individuals whose military mission is similar to the support requested by the law enforcement agency. Feedback we have gotten indicates training is enhanced by our participation.

The National Guard also provides drug interdiction support as "incidental to training" whenever possible. This is in addition to support listed in State Anti-Drug plans.

The mission that provides the least meaningful training is the cargo inspection support provided to U.S. Customs Service. This mission does, however, provide more tangible results in law enforcement seizures and confiscations than any other drug interdiction mission.

Question. The FY 1991 budget transfers drug interdiction funds from the reserve appropriations to a separate appropriation. Do you have any reservations about budgeting for reserve component involvement in a separate appropriation?

Army Reserve answer. The operation and maintenance funds transferred to the drug interdiction program manager for FY 1991

and out were based on the amount of dollars expected to be spent during those years for drug interdiction activities. No military pay dollars were transferred. We anticipate receiving the same amount into our appropriation as we transferred. As long as the amount transferred back to us equals the amount we transferred to the drug interdiction program manager, we do not have any reservations.

Army National Guard answer. Drug interdiction funds have been transferred to National Guard appropriations for the past two years. Although we prefer to have all operation and maintenance, as well as military personnel, funds in the individual Army and Air National Guard accounts, we will work with whatever procedures are set up.

Question. Do you retain control over your funds and personnel?

Army Reserve answer. Only if the funds are in fact reprogrammed back to us in the year of execution. No personnel spaces were transferred.

Army National Guard answer. We are concerned about loss of control in both areas. Obviously, the National Guard loses funding control when funds are no longer a part of the National Guard appropriation. Also, the organization controlling the money eventually perceives a requirement to control the people "their" appropriation pays. The 1990 Defense Authorization Act directs that the Secretary of Defense will approve State Anti-Drug Plans. In that regard, the Secretary of Defense retains control of appropriated funds; the National Guard Bureau role is to review plans submitted by the states, make recommendations to the Office of the Secretary of Defense, and pass funding approved by the Defense Secretary to states for execution.

Question. How can you be sure that the funds will be transferred back to you in a timely manner? Or that some of the funds will not be held back to support any unforeseen contingency?

Army Reserve answer. We can only assume that the funds will be reprogrammed back to us in a timely manner and none will be held back.

Army National Guard answer. Funds provided for drug interdiction activity are "fenced" from other than normal National Guard funding; they are either justified and expended or are automatically withdrawn at the end of the fiscal year, thus precluding any holdback.

In fiscal year 1989, the transfers were slow and clearly affected execution. Since we will not control the funds, they could in theory be held back.

Question. Active Guard Reserve (AGR) personnel doing State drug interdiction missions come on board as Active Duty for Special Work (ADSW) status. How are military technicians assigned to the drug interdiction mission? Could they also be used in an ADSW status?

Army Reserve answer. Army Reserve technicians could be assigned to the drug interdiction mission only in a military status, as uniformed Reservists. Approval for drug interdiction duty would have to come from the Army Secretariat. Army Reservists on active duty for such a mission could be placed on ADSW.

Army National Guard answer. Individuals may perform CONUS drug interdiction duties in a technician status provided their specialty is related to those duties. Otherwise, when technicians perform drug interdiction duties they will enter ADSW status, exhausting first their law enforcement leave and then election of either annual leave, compensatory time, leave without pay or unused military leave. Technicians performing these duties outside CONUS must be in a Title 10, USC status.

OPERATION AND MAINTENANCE

Question. General Ward, the Army Reserve fiscal year 1991 Operation and Maintenance request is \$890 million, which reflects negative program growth. What impact does negative program growth have on your mission?

Army Reserve answer. Army Reserve O&M has been significantly underfunded for many years. While the Army Reserve was experiencing substantial growth in personnel strength and structure over the past 12 years (e.g., unit personnel strength increased 100,000) our O&M funding lagged. Consequently, negative program growth in Fiscal Year 91 compounds and existing problem. The effect includes an inability to maintain facilities adequately, to operate and maintain equipment effectively, to automate personnel records and personnel benefits, and to train units and leaders to necessary levels.

Question. What are your high priority unfunded O&M requirements?

Army Reserve answer. Our high priority unfunded O&M requirements are as follows: facilities maintenance—\$22.6 million; facilities leases—\$12.6 million; equipment fielding and sustaining costs (for equipment redistributed from the Active Army inventory and equipment procured through the Dedicated Procurement Program)—\$25.6 million; automation of personnel records and of personnel benefits—\$9.7 million; ground OPTEMPO (i.e., the costs to operate ground vehicles)—\$7.3 million; and the costs of operating command and control simulation systems—\$2.3 million.

Question. General Burdick, the Army National Guard fiscal year 1991 Operation and Maintenance request is \$2 billion, which is 2 percent real growth over fiscal year 1990. It appears that only the National Guard components show real growth even after funding for SOF and drug interdiction are transferred to separate appropriations. What are the reasons for the growth in Operation and Maintenance, Army National Guard?

Army National Guard answer. The primary reason for real growth in FY 1991 in the Operation and Maintenance. Army National Guard appropriation is the Reserve Component Automation System (RCAS) competitive demonstration contracts which will be conducted starting in the first quarter of FY 1991. This program will be acquired following Congressional guidance, on a fully competitive basis under the provisions of Office of Management and Budget Circular A-109.

Question. What are your high priority unfunded O&M requirements?

Army National Guard answer. Unfunded high priority requirements exist for Organizational Clothing and Equipment (OCE), Repair Parts, Depot Maintenance, and Real Property Maintenance (RPMA) backlogs, Government Services Administration (GSA) Leased Vehicles Program, Communications and Automatic Data Processing (ADP) Maintenance, and nontactical vehicles. The need to replace the aging Technician Payroll of FY 1991.

The OCE backlog is projected to increase from \$262.3 million in FY 1990 to \$293.9 million in FY 1991. This increasing backlog delays fielding of improved and modern OCE for the survivability of our soldiers on the modern battlefield, and negatively impacts readiness by not funding added force structure and other new equipment requirements. An additional \$40 million is required in FY 1991 to fund executable OCE requirements: \$10 million to procure Combat Vehicle Crewman uniforms, \$20 million for improved cold weather clothing, and \$10 million for Deployable Medical Equipment (DEPMEDS) modernization.

High priority unfunded O&M requirements for the Army National Guard Repair Parts and Depot Overhaul programs are \$9 million and \$10 million respectively. The \$9 million requirements for Repair Parts supports increases for authorized onhand repair parts stockage levels needed to increase equipment readiness and for day-to-day maintenance operations to support combat vehicles, aircraft, tactical vehicles and watercraft. The ARNG Depot Overhaul Program backlog is projected to be \$25 million at the end of FY 1991. The current FY 1991 program is projected to be \$8.4 below the FY 1990 funded level. An additional requirement for \$10 million exists just to maintain the FY 1990 readiness posture.

Unfinanced requirements for Backlog of Maintenance and Repair (BMAR) and Armory Backlog of Maintenance and Repair (ABMAR) are \$20 million and \$40 million respectively for FY 1991. Backlogs are increasing each year as existing facilities, utilities systems, training ranges, and mobility network systems continue to fall into disrepair due to inadequate funding levels.

The Army has made a commitment to convert its CONUS based Non-Tactical Vehicles (NTV) fleet to GSA ownership. The decision to convert was necessitated by continuous underfunding of NTV procurement resulting in an aging fleet with doubtful mission capabilities in the immediate future. The Army National Guard was not provided funding saved from Department of the Army's non-procurement of nontactical vehicles. This new budget program will require \$25 million in FY 1991 and \$30 million annually in the out years. The need to replace the aging fleet has been delayed due to funding shortfalls.

Operations and Maintenance, Army National Guard (OMNG) Communications accounts were underfunded by \$4.3 million in FY 1990. Based upon projected 12-28 percent rate increases the unfunded requirement to meet recurring expenses is projected to be a minimum of \$5 million in FY 1991. The Other Procurement Army appropriation unfunded requirements for major communications programs amount to \$10.8 million in FY 1990. Older systems now in place have reached full capacity and are generating increasingly higher maintenance costs. Modernization is needed to provide increased flexibility at major installations in the States and addition-

al capacity while reducing the costs of communications and maintenance.

A shortfall of approximately \$2.2 million exists in FY 1991 for maintenance of over 13 thousand micro and supermicro computers fielded by the Army National Guard. These computers, with approximately two thirds older than three years, perform various automated functions worldwide. Maintenance for these computers is unfunded in the FY 1991 automation budget.

The trend for FY 1990 indicates increased cost amounting to approximately \$20 million for Technician Pay due to the change from the Civil Service Retirement System to the Federal Employees Retirement System (FERS), and the impact of grade and step increases of existing personnel. As more new employees come on board under FERS, the cost for health benefits will increase. In addition, as the technician force matures, payroll costs escalate to support higher employee grades.

Army Reserve answer. The following is a prioritized list of unfunded FY 1991 Operation and Maintenance, Army Reserve requirements, current as of the Resource Management Update.

	Amount
IDT Training:	
Unit training support	\$2,600,000
Training oversight	7,000,000
Leases	16,900,000
Backlog of Maintenance and Repair (BMAR)	54,400,000
Total	80,900,000

Question. For the record, would each of you provide a breakout of how you utilized the excess funds transferred from the Defense Stock Fund via section 9060 of the Defense Appropriations Act, 1990.

Army Reserve answer. The Army Reserve distribution of excess funds transferred from the Defense Stock Fund is as follows:

Title	Amount
1. Gramm-Rudman-Hollings Real Property Maintenance Activity Restoral	\$4,000
2. Force Structure Actions	688
3. Furnishing for the U.S. Army Reserve Center	972
4. Combat Vehicle Crewman Uniforms	400
5. Unit Individual Duty Training/Annual Training Support	10,389
6. Modification to the New Building for Army Reserve Personnel Center	2,000
7. Automation Requirements	911
8. Recruiting Activities	640
Total	20,000

Army National Guard answer. The funds are being utilized to finance base operations, organizational clothing and equipment, repair parts and other support items required to maintain readiness.

EQUIPMENT

Question. The Committee notices that the reserve components have requested funds in the dedicated Reserve/Guard equipment account for the first time. Do you think this is a good idea?

Army Reserve answer. The USAR has achieved steady but slow progress in the area of equipment readiness during the past decade. Our goal to bring the USAR to a minimum readiness state (C-3) has not yet been fully attained. We have established a goal to

do this during the current POM cycle. The minimum equipment receipt necessary to attain this goal is approximately \$320 million per year. The Army has, for FY 1990, committed \$210 million in procurement. The Army has also changed its billing methods and the USAR must pay first destination charges equal to \$10 million per year for DPP purchased equipment. The USAR DPP request is necessary to achieve the established readiness goals within a reasonable time frame. The Congress's DPP program has been extremely beneficial to the improvements seen to this point in the USAR, and we feel that continued support of our requests will allow us to be a ready, trained, and well-equipped force in the near future.

Army National Guard answer. The Army National Guard supports the new requirement to submit the Dedicated Procurement Request as part of the FY 1991 DOD Budget submission, although the execution presents several challenges. DOD reduced the funded level from \$532 million to \$133 million, significantly slowing the readiness improvements that can be achieved. Discrepancies in pricing of items requested entered the budgeting process and distorted the cost of several lines procured. Lastly, flexibility in the program to respond to future force structure changes was reduced by itemizing miscellaneous equipment items a year earlier than normal. It is important that the separate appropriations do not, however, become assimilated into the Army procurement program and that it remains a viable response to Army National Guard equipment readiness problems.

Question. Do you feel that your component receives its fair share of the active component equipment commensurate with the deployability of the unit?

Army Reserve answer. The FY 1989 Army procurement appropriation of \$14.2 billion allocated \$100 million for the Army Reserve. Additionally, Congress authorized \$30 million for USAR equipment. The total benefit of equipment received by the USAR in FY 1989 was \$294 million. The USAR is currently \$4.1 billion dollars short of wartime equipment requirements. An annual funding level of less than one percent of the Total Army's procurement appropriation does little to overcome the current equipment shortfall. A significant portion of both early deploying and employing units will be provided by the USAR upon mobilization, and a substantial number of those units have combat support and combat service support missions. The USAR currently has 59 percent of its wartime equipment requirement; the National Guard has 79 percent of its wartime equipment requirement. This is due in part to the established equipping strategy. Although low density requirements in the USAR and some common equipment shortfalls across all components exist, there appears to be room for more equal distribution of appropriation dollars as well as redistribution of active components assets. The Dedicated Procurement Program has greatly assisted the USAR equipment posture.

Army National Guard answer. The Army National Guard receives a fair share of equipment based on the "First to Fight, First to Equip" policy. The Army National Guard equipment availability continues to increase through distribution and redistribution from Army. That distribution, coupled with internal cross leveling, gives

our high priority units the best possible equipment status. However, the cross leveling to higher priority units is detrimental to lower priority units, merely shifting the \$6.9 billion mobilization equipment shortfall.

Question. General Ward, the Army Reserve requested \$61.1 million in the dedicated procurement account and the P1-R shows that the Army is proposing to procure \$210.2 million for the Army Reserve. What percentage of the shortfall will this alleviate?

Army Reserve answer. First, the equipment buys from the National Guard and Reserve Equipment Appropriation are reflected in the P1-R. If a straightline approach is to be used, then the \$271.3 million would satisfy 6.6 percent of the Army Reserve equipment shortfall. However, a 6.6 percent equipment increase does not, in and of itself, equate to a 6.6 percent readiness increase. Further, the Army procurement funds will most likely buy equipment needed for modernization of the Total Army. Since combat support and combat service support equipment has a lower procurement priority than do helicopters and tanks, the USAR units that reflect poor readiness status will likely stay that way until the equipment procured via dedicated programs or redistribution from the active component occurs. On the other hand, the Army supports a Logistics Unit Productivity Study for approximately 190 Army Reserve units. This equipment will be received in units between 1991 and 1993 as part of the \$210.2 million Army Procurement Appropriation. However, forced structure actions continue. As a result, any given unit receiving equipment may be subject to a change in mission or reorganization, which will again change the equipment requirement.

Question. General Ward, what are the Army Reserve high priority unfunded procurement items?

Army Reserve answer. Our high priority unfunded procurement items can be broken down into four categories. They are listed in priority sequence and include examples of items within each category:

a. Communication and Electronic Equipment—Total amount for the category—\$46.6 million. Example—2000 each Night Vision Devices totaling \$12 million.

b. Aircraft—Total amount for the category—\$7.5 million. Example—3 each C-12 aircraft totaling \$7.5 million.

c. Other Support Equipment—Total amount for the category—\$33.6 million. Example—3 each Tugboats totaling \$24 million.

d. Tactical Wheeled Vehicles—Total amount for the category—\$44.3 million. Example—55 each Truck, Wrecker M984A1 w/winch (HEMIT) totaling \$18.8 million.

e. Total amount of all items—\$132 million.

Question. General Burdick, the Army National Guard requested \$133 million in the dedicated procurement account and the P-1R shows that the Army is proposing to procure \$541.5 million for ARNG use. What percentage of the shortfall will this alleviate?

Army National Guard answer. Based on current shortages of \$6.9 billion in equipment, the two procurements equal approximately 8 percent, after exclusion of \$105 million of ammunition procurement from the P-1R. Ammunition procurement does not improve equipment readiness.

Question. General Burdick, what are Army National Guard high priority unfunded procurement items?

Army National Guard answer. Our highest priority unfunded requirements are Medium Tactical Trucks, Tactical Communications equipment, Test Measuring and Diagnostic Equipment, and Fuel Handling Equipment.

Item	Quantity	Cost
Miscellaneous Equip		\$100.0
Medium Tactical Trucks; Required 13,800 (5 tons); short, 8,921 (tons)	125	100.0
Family of Heavy Tactical Veh: Required 6,545, short, 4,555.....	400	65.0
Truck, Tractor M916: Required, 1,096; short, 944	400	52.0
Reengine Program 5 Tons.....	900	35.0
SINGARS Radios: Required 39,352 (TAC FM VRC-12 Series), Short,—13,922 (TAC FM VRC-12 Series)	1,070	18.0
Multiple Launch Rocket System 30: Required, 641 (Basis of Issue Plan); short, 612 (Basis of Issue Plan).....		105.0
M577 Cmd Post Carriers: Required, 1,854; short, 573	100	27.5
Battery Computer System: Required, 330 short, 191	193	30.0
Total		532.5

[CLERK'S NOTE.—End of questions submitted for the record.]

WEDNESDAY, APRIL 4, 1990.

AIR NATIONAL GUARD AND AIR FORCE RESERVE

WITNESSES

LT. GEN. JOHN B. CONAWAY, U.S. AIR FORCE, CHIEF OF NATIONAL GUARD BUREAU

MAJ. GEN. PHILIP G. KILLEY, U.S. AIR FORCE, DIRECTOR, AIR NATIONAL GUARD

MAJ. GEN. ROGER P. SCHEER, U.S. AIR FORCE, CHIEF OF AIR FORCE RESERVE

INTRODUCTION

Mr. HEFNER. Our next set of witnesses are Lieutenant General John B. Conaway, USAF, Chief of the National Guard Bureau; Major General Roger P. Scheer, USAF, Chief of the Air Force Reserve; and Major General Philip Killey, USAF, Director of the Air National Guard.

General Conaway, congratulations and good luck in your new position as Chief of the National Guard Bureau.

Gentlemen, we welcome you. Your prepared statements and General Conaway's biographical sketch will be inserted in the record. Please summarize your statements.

General Conaway.

SUMMARY STATEMENT OF THE CHIEF, NATIONAL GUARD BUREAU

General CONAWAY. Thank you, Mr. Chairman.

I appreciate the opportunity to be here representing the National Guard.

Of course, I have two of my good cohorts with me. General Killey, the Director of the Air National Guard, will talk to the Air National Guard; and Roger Scheer of the Air Force Reserve is here. I will have to let Roger speak for himself because he doesn't understand National Guard talk.

It is a pleasure for me to be here as Chief of the National Guard representing over 575,000 men and women of the Army and Air Guard. We appreciate the tremendous support which Congress and this committee in particular has given to us. We would not be at the high state of readiness that we are today without the House Appropriations Committee.

We are well aware of the overall efforts to reduce the deficit and the necessity of staying within the President's Budget and our inputs are carefully and thoughtfully considered.

Both the Army and the Air National Guard and the other components are facing a real interesting situation today as we face potential force reductions and strength reductions in all the components of the Department of Defense. The National Guard is full

today and bulging at the seams in strength. The Army National Guard is almost 456,000 personnel at end strength. The Air National Guard is almost at 117,000 personnel, which is at strength or slightly over. Yet the best six months of recruiting are ahead, from 1 April to 30 September.

So, this is an interesting dilemma. We are in a good news/bad news situation and we are bulging at the seams. Recruiting and retention are excellent and morale is high. The credit goes to this committee for your support, not only of our traditional National Guard program, but of our very important military technician and AGR programs. Your support of these programs allow our readiness to be where it is today.

I have the great honor as the new Chief of the National Guard of traveling all over the world and seeing our units in training.

Currently we have a National Guard engineering unit doing training projects in Jamaica. We have units that have been down doing drug roles in the Bahamas where they have blocked the Windward Pass with radar units.

It is an honor not only to see the counternarcotics operation the National Guard in action, but also the nation-building projects, along with the State missions where we set a record last year, with 249 call-ups. This is the largest number of call-ups since 1969-1970.

That completes my remarks.

I will answer any questions that you may have.

[The statement of General Conaway follows:]

STATEMENT BY

LIEUTENANT GENERAL JOHN B. CONAWAY

CHIEF, NATIONAL GUARD BUREAU

UNITED STATES AIR FORCE

BEFORE THE

HOUSE APPROPRIATIONS COMMITTEE

SUBCOMMITTEE ON DEFENSE

HOUSE OF REPRESENTATIVES

SECOND SESSION, 101ST CONGRESS

GUARD AND RESERVE

4 APRIL 1990

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

LIEUTENANT GENERAL JOHN B. CONAWAY
CHIEF, NATIONAL GUARD BUREAU

Lieutenant General John B. Conaway is Chief of the National Guard Bureau, Washington, D. C.

General Conaway was born in Henderson, KY. He received a Bachelor of Science Degree in Business Administration in 1956 from the University of Evansville, IN. In 1975, he received a Master's Degree in Management and Human Relations from Webster College, St. Louis. General Conaway completed U. S. Air Force Commanders Safety School in 1969, Air Command and Staff College in 1971, Air University Commanders School in 1972 and the Industrial College of the Armed Forces in 1973.

General Conaway was commissioned a Second Lieutenant in the U. S. Air Force in June 1956. After basic pilot training, he attended advanced combat crew training, graduating in 1958. His next assignments were as an F-102 fighter interceptor pilot in the Air Defense Command at K.I. Sawyer Air Force Base and Kincheloe Air Force Base, MI. In 1960, General Conaway joined the West Virginia Air National Guard as an SA-16 pilot, flying a special forces operations mission. In 1963, he transferred to Kentucky Air National Guard's 123rd Tactical Reconnaissance Wing in Louisville, as an RB-57 pilot and, in 1965, became an air technician flying training instructor, flying RF-101s. He was called to active duty with the Kentucky Air National Guard in January 1968 and served in Alaska, Panama, Japan, and Korea. Upon deactivation in June 1969, he returned to the Kentucky Air National Guard as operations officer.

In October 1972, General Conaway was appointed air commander of the Kentucky Air National Guard. In December 1974, he was appointed Vice Commander of the 123rd Tactical Reconnaissance Wing which had units in Kentucky, Arkansas, Nevada and Idaho. Some of his other assignments have included duty as Wing Director of Operations, Wing Chief of Safety, Wing Chief of Standardization and Evaluation, Group Commander, Group Deputy Commander for Operations and Squadron Operations Officer.

General Conaway was recalled to active duty as Deputy Director of the Air National Guard in April 1977 and, in April 1981, he was named Director. He was reappointed Director in April 1985. On July 20, 1988 he was named as Vice Chief, National Guard Bureau. In February 1990, he was appointed as Chief, National Guard Bureau and promoted to Lieutenant General.

General Conaway is a command pilot with more than 6,000 hours in numerous types of aircraft. His many military decorations and awards include the Air Force Distinguished Service Medal, Legion of Merit, and Meritorious Service Medal. He is also the recipient of the Air Force's Eugene M. Zuckert Management Award and the Air National Guard's Order of the Sword.

INTRODUCTION

Mr. Chairman and Members of the Committee, I appreciate the opportunity to appear again before Committees of the Congress, this time as Chief of the National Guard Bureau. I was appointed as Chief in February and represent more than half a million members of the Army and Air National Guard. I thank you in their behalf for your continued support which has contributed to our many successes.

The National Guard today, both Army and Air, has evolved far beyond anything our forefathers could possibly have envisioned. We are our country's oldest military institution, and we're proud, prepared, and professional. We have worked hard to achieve our goals for 353 years. We are still involved in our states' local emergencies and disasters, but we also provide this great nation with an effective, reliable, and credible military force which is capable of deterring aggression against our country or its allies. We in the National Guard constitute a sizable percentage of our nation's defense capability.

Our military leaders of today are challenged by numerous concerns, but none more demanding than to achieve more with less while, at the same time, conserving available resources. Anxiety about international military threats is justified, but we must also be cognizant of economic, political, and social issues affecting national strategy. Our leaders today continually endeavor to find new, innovative ways of improving the Guard's

service to our nation and states. To plan better for the impact of military, social, and economic influences on the Guard, we have adopted a proactive systems management approach to the future. The National Guard Bureau has established a long range planning process to focus on specific, short and long term productivity improvements. The Army and Air Directorates have been closely involved in future planning and productivity enhancement for several years. The results have been significant and have enabled us to develop planning methodology consistent throughout the National Guard. Many Members of Congress have already seen the product of National Guard long range plans in their states.

STATE MISSION

The National Guard continues to respond to requests from civil authorities for military support during times of emergency. In Fiscal Year (FY) 89, more than 14,500 Army and Air National Guard personnel from 49 states and territories expended more than 150,000 workdays responding to 53 natural disasters, four civil disorders, and 192 other domestic emergencies. The Guard participated in evacuation; security; and recovery missions following tornadoes, floods, hurricanes, earthquakes, snowstorms, and other natural disasters; and provided humanitarian assistance such as conducting search and rescue operations; evacuating critically ill or injured persons; supplying emergency power, communications, and potable water to stricken communities;

providing emergency shelter and temporary housing for the homeless; providing security assistance; and supporting ground and airborne fire fighting operations. The citizen-soldiers of the National Guard stand ready to continue this proud tradition into the 1990s and the 21st century.

DRUG INTERDICTION AND COUNTER DRUG ACTIVITIES

During FY 89, the National Guard Bureau (NGB) continued and expanded drug interdiction and counter drug activities in support of local, state and federal law enforcement agencies. During the fiscal year, 53 of the states, territories, possessions and the District of Columbia utilized a total of 107,348 mandays in the execution of 1,811 separate support operations. It was not uncommon to have 2,000 volunteer National Guard members on duty on a given day. National Guard personnel were assigned duties that conformed, as nearly as possible, to their individual military occupational specialty. These duties included inspection of commercial cargo at land border entry points, seaports and international airports, and various aerial and ground reconnaissance/surveillance operations. The transport of law enforcement personnel and contraband, special training programs for law enforcement officers as well as National Guard personnel and numerous radar and imagery missions unique to National Guard capabilities were other support missions provided. Equipment used in these missions included various tactical ground transport and

cargo vehicles, communications equipment, tactical radars, night vision devices, Army National Guard (ARNG) rotary wing aircraft (OH-6, OH-58, UH-1 and UH-60) and Army National Guard fixed wing aircraft (OV-1D, C-7, C-12 and U-21). Air National Guard (ANG) aircraft used were the RF-4C reconnaissance plane, C-12 and C-130 transports, and the KC-135 tanker.

The results of drug enforcement operations during which the National Guard provided support to local, state and federal law enforcement agencies during FY 89 were: Cash was confiscated in the amount of \$1,735,745. Cultivated marijuana plants eradicated/destroyed totaled 4,076,662. Drugs seized were: processed marijuana pounds - 46,917; cocaine pounds - 10,887; heroin pounds - 39.5. Other property seized during support operations were: 95 vehicles (which includes air and watercraft), 111 weapons and 364,300 rounds of ammunition. The arrest of 859 individuals was a result of operations the National Guard supported. The street value of the drugs plus the cash confiscated reflects a net value of approximately \$12 billion.

FEDERAL MISSION

As important as our service to state and local government is, we must remain ready for our principal mission which is to provide properly trained and equipped units, capable of being mobilized and conducting combat operations. U.S. vital interests are not limited by our national borders and we must continue to

demonstrate resolve and the capability to protect our interests wherever they may be. For example, during "Operation Just Cause", the recent United States operation in Panama, Army and Air National Guard men and women were there. Ohio and South Dakota Air National Guard A-7s, part of the Coronet Cove rotation to Panama, flew 140 close air support sorties. Ninety-seven sorties were flown by seven Air National Guard C-130s from four Air National Guard units which airlifted 416 tons of cargo and 2,395 people; this included medical evacuation flights of injured soldiers, sailors, and airmen to medical facilities in Texas. Eighty-seven sorties consisting of movement of 931 people and 320 tons of cargo to Howard Air Force Base, Panama were flown by Mississippi Air National Guard C-141s. New York Air National Guard C-5s flew 49 sorties, airlifting 637 people and more than 1,000 tons of cargo. Also, a Military Police Company of the Missouri Army National Guard, conducting their annual training at the start of the Operation, was the only Military Police unit in Panama capable of processing Prisoners of War (POW). The Governor of Missouri approved a two week tour extension request so they could guard and process detainees. A Public Affairs Detachment of the Minnesota Army National Guard, also conducting annual training in Panama, provided support to the Southern Command (SOUTHCOM) Public Affairs Office to include coverage of the Operation and swearing in of President Endara.

DETERRENCE

In performing our federal mission, peacetime readiness, training, and education of the force remain key to our success. The policy of deterrence, or "peace through strength", has served the nation well for over four decades and will continue to serve as the cornerstone of our defense strategy. Deterrence seeks to prevent conventional and nuclear attack on our nation or its allies by demonstrating that any threat launched against the United States or its allies will be dealt with swiftly and effectively. Deterrence can only work when both friend and adversary alike believe in our capability and resolve to use force, if necessary, to protect our national and allied interests.

For deterrence to be credible, we must demonstrate our capability in highly visible locations in concert with total force operations. National Guard soldiers and airmen must be fit to fight, indoctrinated in joint-military operations, trained in peacetime to use the equipment provided, and taught to sustain themselves in hostile environments. National Guard equipment must be state-of-the-art, compatible with its active component counterparts, and technologically superior to that of our adversaries. Training must be realistic, and conducted in those places where the U.S. military could be one day called to fight. On the battlefield of the future, Guardsmen will be called to serve alongside their regular Army and Air Force counterparts--and they will be no less vulnerable to the capabilities of the enemy.

Therefore, Guardsmen must be trained in peacetime for the rigors of war. In view of this, the value of Army and Air Guard participation in varied locations both here at home and overseas contributes significantly to our ability to achieve wartime objectives.

TODAY'S NATIONAL GUARD

The contemporary National Guard is quite unlike the Guard at any time in its 353 year history. The Total Force policy of the seventies came to fruition in the eighties as National Guardmembers demonstrated that when given responsibility, backed by resources and training, the Guard could meet active Army and Air Force standards. Stressing three pillars of military professionalism: modernization, education, and training, Guard units today enjoy the highest readiness ratings in peacetime history. The eighties was a time to lay the foundation for the Guard's long-term effectiveness as a viable member of the Total Force. The 1990's will be the time to build upon this demonstrated record of achievement. We in the National Guard fully recognize that our service is essential to national security and that the American people are taking notice of our contributions. Today, for the first time in peacetime history, we are receiving the resources to permit us to fulfill our wartime missions. For this we are grateful. Although there still remain many shortages, the past several years have permitted us to improve our readiness posture.

The fact remains that the security of our nation is not cheap. Although reserve forces have proven to be cost-effective, strong active forces remain essential to our defense strategy. Both active and reserve forces must be fully integrated in training, equipment and systems. I believe today's National Guard is the best trained, best equipped, most capable and professional Guard in our nation's history. To maintain this readiness and newly developed capability, it is essential that the American people support continued modernization of the Guard, enhanced training initiatives and resources to maintain equipment in "go to war" condition.

PERSONNEL

RETENTION RATES

There are those who assert that training demands are forcing our soldiers and airmen out of the Guard. To this I offer an Air Guard retention rate of 89 percent and an Army Guard retention rate of 80 percent, thus today's National Guard tops all other Reserve Components in terms of retention. Our people are staying because they are trained effectively with good equipment. They are recognized for their service and have confidence in their leaders.

END STRENGTHS

At the close of FY 89, the Air National Guard exceeded programmed end strength figures.

The added requirements and missions assigned to the Air National Guard continue to require this force to grow. In FY 89, the ANG exceeded its recruiting goal for the year when it experienced a net gain of 840 members. The actual year end strength was 116,061 against an approved end strength of 115,200. An increasing proportion of this force consists of women and minorities. In FY 89, the Air National Guard gained more than 500 women and approximately 550 minorities raising their percentage of the force to 13 percent and 15 percent respectively. Despite the Air National Guard's continued success in achieving overall membership, it continues to experience difficulty in manning a few traditionally hard to fill or critical skill vacancies, such as Aircrew Operations, Tactical Air Command and Control, Munitions, Communications, and Electronics and Computer Systems.

FY 89 ARNG assigned strength of 456,960 was 99.9 percent of the end strength objective. This record accomplishment continues the trend of unprecedented year end strengths established over the past five years. The high officer strength of 50,112 was 101.6 percent of authorized and an even greater percentage of the objective. Officer gains of 1,896 more than offset the small net loss in enlisted strength which totaled 406,848, 99.7 percent of

objective. Total end strength of 456,960 reflected a net gain of 1,778 over FY 88, and 97.5 percent of authorized.

Minority strength in the ARNG did not grow in relation with overall strength and ended the fiscal year at 111,973, 24.5 percent of total. Black officers at 2,962 comprised 5.9 percent of officer strength while enlisted personnel declined by more than 800 to end at 72,129 or 17.7 percent of enlisted strength.

Female strength rose to an unprecedented high this fiscal year. The opening of additional military occupational specialties to females in the ARNG provided an opportunity to fill additional requirements with female enlistees. During the year, a record number of 4,203 were recruited. There were 3,529 female officers, 26,468 enlisted personnel totalling 29,997, 6.6 percent of ARNG assigned strength at the end of FY 89, a net increase of 3,216.

FULL-TIME SUPPORT

Full-time support personnel provide the backbone for organizing, administering, recruiting and retaining, instructing and training in the Army and Air National Guard. The full-time support program provides a cadre of full-time personnel whose objective is to enhance and maintain the overall unit readiness. The program encompasses Active Guard/Reserve (AGR) personnel, National Guard Technicians, active component soldiers and airmen assigned to the National Guard, and Departments of the Army and Air Force civilians.

Program growth is the most critical full-time support issue facing the Guard today. Continued limitations on the projected expansion of the AGR force and the National Guard technician force threaten the overall readiness of the Guard. Regrettably, this condition persists during a period of historic and uncharted changes abroad, which will likely increase our strategic reliance on the readiness of the National Guard. We are in favor of replacing the Congressionally mandated technician ceiling with a technician floor. This would permit the flexibility for technician growth consistent with changing program requirements. We also need relief on grade level restrictions on the full-time AGR program so that career progressions of quality, professional guardsmen are not unduly constrained.

For the ARNG, growth in full-time support authorizations throughout the FY 88-89 timeframe has not kept pace with increased force structure and modernization conversions. The gap between what is required to support the existing force structure and what has been resourced is widening. We can no longer afford to field new missions like Hawk battalions, Mobile Army Support Hospitals and Military Intelligence units, as we're doing in FY 90, without adequate additional resources. We require 42,974 AGRs in FY 90 and support our units with only 26,164, a 16,810 shortfall. To compensate for this shortfall, the Army National Guard redistributed AGR authorizations from one state to another to ensure some minimal manning for all units. This was a partial fix to a shortage problem which can only be resolved with additional

growth. The technical expertise provided by our technician force is paramount in our maintaining the highly sophisticated weapon systems being fielded in the Guard today. The AH-64 attack helicopter and the M1 Abrams tank are examples of state-of-the-art weapon systems requiring additional technician resources. The maintenance readiness posture may be adversely affected as we accept highly technical modern equipment without a corresponding increase in full-time manning.

The FY 91 budget for the ANG includes 361 fewer technicians, and 49 fewer AGR authorizations. Two hundred and twelve of this reduction is caused by the transfer of the Special Operations Mission at Harrisburg, Pennsylvania to the U.S. Special Operations Command budget.

Increased reliance on the Guard as a cost effective partner in the Total Force has grown dramatically in recent years. Full-time support is the cornerstone program upon which the strength of the Guard is ensured. This program is well conceived, implemented, and managed. Requirements are well documented and must be supported if the Guard is to continue to accomplish its expanded missions effectively at minimal cost.

INCENTIVE PROGRAMS/ENTITLEMENTS

Incentive programs are essential to keep National Guard service attractive. The Army Selected Reserve Incentive Program

(SRIP) provides enlistment bonuses that may be either a \$2,000 critical skill or \$1,500 unit bonus. Additionally, the program offers the retention bonus, affiliation bonus, the Student Loan Repayment Program, and the Health Professionals Loan Repayment Program. Current authority for all of these programs except the Student Loan Repayment Program expires September 1992. Continuing authority for all these programs is essential in support of our recruiting and retention requirements.

The Montgomery GI Bill (MGIB) is a most valuable entitlement and provides benefits to our soldiers and airmen who are attending undergraduate college courses. The Montgomery GI Bill is further enhanced by changes which take effect in FY 91 to include the addition of vocational-technical training, flight training, correspondence and independent study, and the ability to use the benefits for undergraduate study after receiving a baccalaureate degree. The Veterans Administration reports 64,969 ARNG members and 18,782 ANG members are receiving benefits. Our participation is continuing to increase.

In addition to the MGIB, the National Guard offers incentives in the bonus and student loan repayment programs. These programs provide cash incentives and assistance in repaying qualified, federally insured student loans to members who enlist or reenlist in identified critical skills. Active duty guardsmen can participate in educational programs such as the Community College

of the Air Force, College Level Examination Program (CLEP) and Defense Activity for Non-Traditional Education Support (DANTES) testing. These programs have proven to be effective tools for recruiting members. As retention tools, these programs save the Government substantial funds by reducing training costs associated with bringing new and untrained personnel into the Guard. Entitlements and incentives promote recruitment and retention of trained and experienced members, and must be continued.

EQUIPMENT

ARMY NATIONAL GUARD

Despite the reduction of procurement programs in recent years, equipment deliveries to the ARNG rose to \$2.9 billion. This value represents a significant increase over the \$2.7 billion delivered in FY 88, and can be attributed to continued modernization of ARNG combat units with new and displaced Army equipment and delivery of Dedicated Procurement Program equipment. The distributed equipment included such major systems as the M1 Abrams Tank, M60A3 Tank Thermal Sight Tank, Improved TOW Vehicle (ITV), M198 Howitzer, Battery Computer System (BCS), Chaparral, Heavy Expandable Mobility Tactical Truck (HEMTT) and High Mobility Multipurpose vehicles.

Surface Equipment-On-Hand readiness has reached record high levels as a result of these deliveries and inventory management efforts. Despite these gains, however, the ARNG remains short

\$6.9 billion of equipment. The most critical shortages are medium and heavy tactical wheeled vehicles, tactical communications equipment, and support items such as tools, test equipment, and fuel hauling equipment.

Although the ARNG is beginning to modernize its aging helicopter fleet, we are still faced with shortages that will impact negatively on force readiness into the late 1990s. These shortages exist in attack, utility, scout and heavy lift categories.

The ARNG continues to look at innovative ways to manage shortages in the ARNG utility helicopter fleet. The vast majority of the current fleet consists of over 1,100 Vietnam era UH-1H aircraft. These aircraft are serving extensive drug enforcement support missions in addition to tactical training employment.

AIR NATIONAL GUARD

Modernization of the Air National Guard is continuing. F-16s and F-15s are replacing older tactical and air defense fighters across the Air Guard. The Air National Guard supports the Air Force plan to enhance Close Air Support/Battlefield Air Interdiction capabilities. In the ANG's airlift force, congressionally directed C-130H procurement continues to retire the older C-130A/B aircraft. Additional C-141B strategic airlift assets are scheduled to enter the Air National Guard aircraft inventory during FY 91. The reassignment of additional KC-135 aircraft in FY 91 from the active component will

provide the Air National Guard with a significant increase in capability for the air refueling tanker mission. Air National Guard modernization also includes new MH-60G aircraft at Air Rescue units and C-26A operational support aircraft at various locations.

Equipment modifications continue in every weapon system. It is imperative that these upgrades continue so that the Air National Guard combat capability can keep pace with changing missions and threats.

The obsolescence of Air National Guard combat communications and tactical control communications equipment continues to be an area of concern. About 40 percent of the equipment in these units is of early 1960's vintage which results in interoperability problems between US and allied forces. Our main objective is to upgrade all equipment from existing analog technology to state-of-the-art digital technology. However, the absence of any FY-90 monies has significantly impaired the progress our units were making in acquiring the needed equipment resulting in a decrease in readiness. The reduction of \$107.1 million from the TRI-TAC program, approximately 70 percent of which is Air National Guard, has all but brought to a halt the slow modernization program that was in place. The Total Force situation becomes particularly aggravated when it is realized that about 70 percent of the Air Force's combat communications capability and 60 percent of the tactical control units are in the Air National Guard.

A major concern for the Air National Guard has been the consistent delay in obtaining spares and support equipment for the C-130H aircraft procured by congressional direction. C-130 spares and support equipment should be provisioned concurrently with aircraft procurement in order to ensure timely availability to support new aircraft missions. The resulting delays in obtaining this equipment has degraded our C-130 supportability posture. Separate funding for spares and support equipment should be provided when new aircraft are procured.

TRAINING THE NATIONAL GUARD

ARMY NATIONAL GUARD TRAINING AND EDUCATION

The multitude of training opportunities available today for our ARNG soldiers and units is key to providing realistic, mission-oriented training and improving readiness. The Professional Development Program, Key Personnel Upgrade Program (KPUP), Overseas Deployment Training (ODT), CAPSTONE, training at the National Training Center (NTC) and at the Joint Readiness Training Center (JRTC), Battle Command Training Program (BCTP) and the Joint Chiefs of Staff (JCS) exercises are vital to meeting the ARNG's mission to provide combat ready units in support of the total force and Unified Commander's missions.

RESERVE COMPONENT TRAINING STRATEGY

The Reserve Component Training Strategy provides continuous focus for improving training readiness. The Strategy follow-up

efforts has produced a training development action plan which addresses 38 initiatives to enhance training in the five areas of soldier, leader and collective training, as well as training support and management. Skill Qualification Test upgrading and validation; enlisted and officer education systems; unit training aids, devices, simulations; and simulator acquisition are three significant issues. Department of the Army manages the program through semi-annual reviews and a General Officer Steering Committee to give priority focus to this important program.

KEY PERSONNEL UPGRADE PROGRAM (KPUP)

KPUP deploys soldiers to train one echelon above their current positions or at a facility with a large overall support mission. The training received during these deployments is reflected in the readiness and understanding of the soldiers as they return to their states. KPUP, a Branch/MOS enhancing program, strives to link soldiers to units within their CAPSTONE Trace, fostering the Total Army policy. Since 1981, approximately 37,000 ARNG soldiers have deployed to 92 locations within CONUS and trained in 27 countries supporting humanitarian and mobilization training.

OVERSEAS DEPLOYMENT TRAINING (ODT)

ODT provides Army National Guard (ARNG) units and unit cells the invaluable opportunity to train in their wartime theater of operations under their CAPSTONE gaining command. In addition to

honing their warfighting skills, ODT participants familiarize themselves with their assigned area of operations and learn the operating procedures of their CAPSTONE affiliate. ODT also serves as an excellent mobilization planning and execution exercise for ARNG units. In FY 90, 23,000 Guardsmen are scheduled for ODT with about 25,000 programmed in FY 91.

THE NATIONAL TRAINING CENTER (NTC)

The NTC is the Army's premiere collective training center. It provides the most realistic mid to high intensity combat environment available in peacetime. Since 1983, twelve Army National Guard roundout battalions have trained at the NTC. Current schedules call for four battalions in FY 90 and FY 91, and two battalions in FY 92. In addition, the ARNG takes advantage of the excellent training opportunity provided by the opposing forces at the NTC. For this mission the ARNG will provide fourteen companies in FY 90 and ten companies in FY 91.

THE JOINT READINESS TRAINING CENTER (JRTC)

The JRTC is the combat training center for low to mid intensity conflict, with primary emphasis on the Army's light, airborne, ranger, air assault, and conventional infantry forces. In 1989 two ARNG battalions participated in JRTC exercises. There is a single battalion rotation in FY 90 and two battalion rotations in FY 91. In addition, the ARNG takes advantage of the excellent training opportunity provided by the opposing forces at

the JRTC. For this mission the ARNG will provide 2 companies in FY 90.

JOINT CHIEFS OF STAFF (JCS) EXERCISES

JCS exercises provide ARNG units the opportunity to train in a wartime like environment alongside elements of the Army, Navy, Air Force, and Marines. They allow the ARNG to showcase itself as a viable, effective fighting force in front of the other services. Participating soldiers improve their warfighting skills in a pressure-packed environment. JCS Exercises give ARNG leaders the chance to conduct mobilization planning and execution, and to evaluate unit war plan development and operating procedures. CAPSTONE associations are strengthened, and participating units familiarize themselves with their wartime missions and CAPSTONE theater of operations. JCS exercises allow all ARNG elements, combat, support, and combat service support to work together as they would in wartime. Currently 16 JCS exercises are scheduled for FY 90 and 16 for FY 91.

SPECIAL OPERATIONS FORCES (SOF)

In support of the Goldwater-Nichols Department of Defense Reorganization Act of 1986, the National Guard Bureau continues to emphasize revitalization of Army National Guard (ARNG) SOF. An ARNG SOF General Officer Steering Committee was formed and met for the first time in FY 89 to address improvements in the force. In FY 90, the ARNG plans to form an ARNG Special Forces (S.F.) MOS

Qualification Task Force to address initiatives directed at improving the overall MOS qualification in ARNG SF units. Since activation of the Army Special Operations Command as a major command, the ARNG has been represented by an ARNG Major General in the position of Deputy Commanding General. Two ARNG Special Forces Groups and one Special Operations Aviation Battalion continue to participate in training during worldwide deployments in support of theater CINCs.

THE BATTLE COMMAND TRAINING PROGRAM (BCTP)

BCTP is a command post exercise that has been developed to fulfill the training needs of Corps and Division commanders and their staffs without the need for an entire Division participating in field exercises. This program develops and tests expertise at the operational level of war, command and control, decision-making, and effective staff procedures. It trains to tough, combat performance standards, thereby improving commander and staff combat readiness.

AVIATION TRAINING

The ARNG has two centralized Army Aviation Training Sites (AATS) which provide training of aviation skills unique to the ARNG. These sites, the Eastern and Western AATS, are located in Pennsylvania and Arizona, respectively.

In 1978, the ARNG began developing the concept of centralized ARNG AATS. The concept was based on an assumption that Active

Component capabilities would be constrained in the 1980's and beyond. Experience through the mid-1980's has proven that assumption to be valid. The concept has been successfully implemented in both the Eastern and Western AATS.

The Eastern AATS is entering its' seventh year of training operations in FY 90 focusing on individual aviator qualification training in utility and cargo rotary aircraft as well as selected fixed wing aircraft. The Western AATS begins its' third year of "limited" operations in FY 90 concentrating on attack and aeroscout rotary wing training. During FY 89, the AATS program trained 1,069 students, a number which will be equalled in FYs 90 and 91. Nearly 11,000 flying hours were executed in support of the student training during FY 89. Over 12,000 flying hours are programmed to support training activities during FY 90.

The Eastern AATS operates a regional UH-1H synthetic flight training system supporting Active Component, Army Reserve and Army National Guard aviators on a regional basis. Both training sites operate an AH1 (Cobra) Flight Weapons Simulator (AH-1 FWS) on a regional support basis. Over 28,000 hours of creditable aircrew flying hours were accomplished in these simulators during FY 89. That accomplishment will be surpassed as displaced AH-1 aircraft are fielded in ARNG units in FYs 90 and 91.

As resources become more constrained in FYs 90 and 91, the role of these training sites will become of greater importance. More emphasis on resource intensive training will occur to

minimize the impact of possible reductions in flying hours, training time and limited availability of aviation compatible training areas in metropolitan areas. The ability of the AATS program to meet this role will be limited without the necessary full-time AGR personnel. The training capability of the Western AATS is currently constrained due to limitations on personnel growth. Moreover, the premobilization preparation of both sites to expand the Army's aviation training base upon mobilization will be adversely affected. These training sites serve as "survival kits" for ARNG aviation and provide a pressure relief valve for the States so that unit level training missions can be accommodated at home station in the traditional guardsman role. Overall, ARNG aviator training will be improved and unit readiness will be enhanced by these training sites.

In FY 91 the ARNG will field two new generation UH-1 Flight Simulators to support ARNG aviation training requirements. The two cockpit device will be located at ARNG sites in Los Alamitos, California and Peoria, Illinois and provide regional support to Active Army, ARNG and Army Reserve aviators. The new devices are the result of a Grumman Electronics Contract for development of a prototype simulator based on new computer software language. This effort is the forerunner that will allow replacement of existing mainline computers, as well as split-out and redistribution of UH-1 simulator cockpits. Military construction for facilities to accommodate these simulators will be completed in late FY 90.

In FY 88, the first ARNG Apache Attack Helicopter Battalion in North Carolina was certified combat ready. In FY 89, a second ARNG Apache Attack Helicopter Battalion in South Carolina began training at home station and will deploy to Fort Hood for combat certification in FY 90. Battalions in both Florida and Utah begin home station training in FY 90. A unique feature of the Apache Battalions is that each requires 36 unit members to provide full-time support; however, with continued constrained growth in full-time manning, the aggregate shortage for the four Apache battalions will be 72 full-time personnel by FY 91.

The ARNG has established mandatory Night Vision Goggle (NVG) qualification for all ARNG helicopter pilots. All pilots are now NVG qualified during initial flight training at Fort Rucker, Alabama. In addition, NVG mission training in unit tactical tasks was mandated for specific positions identified by the unit commanders. More than 80 percent of all ARNG aviators are now NVG qualified, with more than 30 percent mission trained. The goal of the ARNG is to have 100 percent of our pilots NVG mission trained.

TRAINING SUPPORT

Limited training time, unit dispersion, constrained space for maneuvering units and for gunnery ranges create unique training problems for the ARNG. Many of these problems can be overcome through the innovative use of training devices, simulators, simulations, and a comprehensive development program for local training areas. Currently the ARNG is working with states such as

Ohio, Maine, Kentucky and Nevada to provide land at no cost for unit maneuvers.

TRAINING SYSTEMS

To date, 5,300 Electronic Information Delivery Systems (EIDS) are being fielded along with 6,400 hours of courseware under development. EIDS is an interactive learning system with which individuals and small units will be able to learn and sustain military occupational job skills. The ARNG has continued fielding of the Multiple Integrated Laser Engagement System (MILES). Currently the ARNG has fielded three platoon sets per battalion and squadron.

The Guard Unit Armory Device, Fullcrew Interactive Simulations Trainer (GUARDFIST I) for M-1 Tank crews has reached the prototype stage with 10 devices being prepared for testing during FY 90. GUARDFIST II, a fire observatory trainer, continues under development with prototypes also scheduled for FY 90.

A Squad Engagement System (SETS) prototype currently being tested will provide for infantry training on fire control, fire distribution and junior leader training in an indoor environment. Precision Gunnery Training Systems (PGTS) for TOW and DRAGON antimissile systems, when fielded, will allow gunnery training indoors or outdoors at home stations.

REGIONAL TRAINING SITES

The Regional Training Site - Maintenance (RTS-MAINT) program provides centralized, regional hands-on training on current and force modernization systems. Individual transition level training and additional skill identifier (ASI) on force modernization equipment and sustainment training for designated military occupational specialties (MOS) is provided.

The Army National Guard has proponency for thirteen RTS-MAINT sites. Training programs have already been initiated at Fort Bragg, North Carolina; Camp Shelby, Mississippi; Fort Dix, New Jersey; Camp Dodge, Iowa; Camp Blanding, Florida; Camp Roberts, California; and Camp Custer, Michigan. RTS-MAINT sites are scheduled for activation at Camp Ripley, Minnesota; Gowen Field, Idaho; Nickell Barracks, Kansas; Fort Stewart, Georgia and Jefferson City, Missouri in early FY 90. In FY 91 the final site is scheduled for Pearl City, Hawaii.

The New Jersey National Guard High Technology Training Center (NJHTTC), provides a training environment to conduct individual, small unit, and battle staff training using simulations, training devices and equipment end-items, so as to enhance proficiency in the weapons systems of the Army of Excellence, and the tactics applicable to the Airland Battle. The HTTC provides training seven days per week; twelve months of the year to personnel from throughout the East Coast including ARNG, USAR, USAF, Active Army, Marine Corps and Coast Guard as well as a host of civilian

agencies. The NJHTTC includes a Regional Training Site - Maintenance (RTS-MAINT), a High Technology Training Center, a Training Technology Field Activity (TTFA), and a Range Training Support Activity (RTSA).

The Army National Guard has two Regional Training Sites-Medical (RTS-MED), one at Camp Shelby, Mississippi and one at Fort Indiantown Gap, Pennsylvania. These sites provide medical units with transition training on modernized medical equipment such as Deployable Medical Systems (DEPMEDS), sustainment training, and will have a prepared mission to provide emergency medical support to disaster areas. DEPMEDS training to Reserve Component units is of paramount importance as 70 percent of the Army's field medical support lies with RC units which will be trained at RTS-MEDS.

The Deployable Medical Systems (DEPMEDS) provides a functional modular system that serves as the building blocks for field hospitals to form complete operating rooms, laboratories, medical treatment clinics and ancillary services. DEPMEDS is housed in a Tent, Extendable, Modular, Personnel (TEMPER) and in International Standards Organization (ISO) shelters. These units are designed to be used in a variety of configurations to provide shelter and functional work areas for field medical support.

SPECIAL TRAINING SITES

Since 1986 the ARNG has trained at a fully operational and

provisioned "warm base" European Aviation Classification and Repair Activity Depot (AVCRAD) facility at Brussels, Belgium. This facility is manned by AGR and contractor personnel and will be used for the 1107th Missouri AVCRAD to deploy to upon mobilization. Currently, aviation maintenance personnel from the California, Connecticut and Missouri AVCRADS conduct Overseas Deployment Training at this site to enhance peacetime readiness.

In FY 89 the ARNG assumed management of a ground maintenance facility at the General Support Center, Kaiserslautern, Germany. Staffing consists of ARNG, USAR and Active Army personnel. This facility conducts maintenance on U.S. Army Europe (USAREUR) equipment plus serves as a "hands on" training center for ARNG maintenance units. This Reserve Component Maintenance Training Facility enhances both USAREUR peacetime equipment readiness and the training readiness of ARNG Combat Service Support maintenance units.

TRAINING AREAS AND RANGES

The ARNG Range Modernization Program supports units by providing up-to-date weapons firing facilities and training areas close to their home station. The program is oriented to improve readiness by providing ranges for individual and crew qualification. It is also geared to cost-savings by developing, acquiring, and upgrading training areas which maximize training time while reducing operating costs. The range modernization program received over \$17 million in FY 89 and is projected to

increase to approximately \$65 million for FY 90 through FY 92.

The initiatives support the development of training facilities and land to provide individual and collective training for all ARNG units at 71 ARNG Major Training Areas. Without these programs, ARNG units would spend valuable training time and funds traveling to and from distant active component training sites. Improvement of these areas with such facilities as computerized targets systems, modernized barracks, and educational buildings allows training to current Army standards required for mobilization.

MOBILIZATION TRAINING

The Army National Guard Mobilization and Deployment Exercise Program continued to receive emphasis as an essential element of verifying a units mission capability during FY 89. These exercises are progressive in nature and increasingly challenge the participants to realistically evaluate mobilization plans and execution requirements.

The ARNG Mobilization Exercise Program consists of four exercises designed to address all phases of the mobilization process. Three of these, the State Areas Command Exercise (STARCEX), the Mobilization and Deployment Readiness Exercise (MODRE), and the Readiness for Mobilization Exercise (REMOBE), are executed as comprehensive evaluations of unit mobilization plans, administrative procedures and personnel assigned.

The fourth, the Emergency Mobilization and Deployment Exercise (EMDREX), is an exercise designed to test the ability of selected high priority ARNG units to respond, prepare and depart for the mobilization station within 72 hours of federalization. This has become the cornerstone of the ARNG exercise program to insure that the first to mobilize achieve and sustain the required high level of preparedness.

The number of exercises conducted has increased since FY 84 from 400 exercises to over 900 in FY 89, while exercise funding has remained constant at about \$12 million. This growth has been achieved by encouraging conduct of exercises in conjunction with inactive duty training periods and other mobilization related training events, rather than as separately funded exercises. The ARNG Exercise program growth has now leveled. Further expansion in the program, and the associated increase in ARNG mobilization preparedness, will be dependent upon additional funding.

In FY 89 the ARNG initiated a program to improve both the mobilization preparedness and readiness of selected high priority ARNG units. This program is specifically designed to improve the readiness of these units through equipment redistribution, recruiting and retention incentives and exercise training opportunities. These exercises test all phases of the mobilization process to include commercial loadout of unit equipment, movement to the mobilization station and an initial assessment of the units deployability.

FY 90 will see continued emphasis on exercising high priority force package units as well as improving the quality of exercises conducted. With the leveling off of funding, quality exercises are the only avenue for ensuring maximum results from time and dollars expended. Currently, as a result of budget constraints, exercise schedules have been curtailed to the point where lower priority units are unable to conduct all exercises required by regulation to meet minimum proficiency. FY 90-91 is an especially critical period, as the Headquarters, Department of the Army, CALL FORWARD series of exercises begins. It is essential that the ARNG be adequately funded to ensure full participation in this series. As the U.S. Army draws down, there will be continued reliance upon the mobilization capabilities of the ARNG, and the only way to assure this capability is through a fully funded, fully executed Mobilization Exercise Program.

CAREER DEVELOPMENT (PROFESSIONAL DEVELOPMENT PROGRAM)

The Army's ability to field a combat-ready force requires the development of leaders who can, on short notice, deploy, fight, and win. Army National Guard soldiers continue to receive training in resident courses on the latest tactics, doctrine and systems, thus reinforcing Military Occupational Specialty (MOS) skills and leadership abilities. The Noncommissioned Officer Education System (NCOES) is our primary means of meeting these requirements.

Effective October 1, 1987, the Reserve Component

Noncommissioned Officer Education System (RC-NCOES) was revised to include Military Occupational Specialty (MOS) specific tasks as well as leadership training and battlefield survival skills. RC-NCOES now consists of three levels of career development training. These levels and the corresponding courses at each level are the primary level - the Basic Noncommissioned Officer Course (BNCOC), the advanced level - the Advanced Noncommissioned Officer Course (ANCOC), and the senior level - the United States Army Sergeants Major Course (SMC). The BNCOC and ANCOC have been developed for presentation in two phases (Phase I and Phase II). Phase I training consists of common leader training and the Phase II provides the MOS-specific training.

ARNG and United States Army Reserve Forces (USARF) Schools trained 24,000 soldiers in PLDC, Phase I of BNCOC, and Phase I of ANCOC in fiscal year 1989. The total number of soldiers requiring training is expected to increase somewhat for the next three years as implementation of Phase II, MOS-specific courses begins.

The Operations and Training Division is currently developing a plan to implement the Phase II, MOS-specific training. The Majority of courseware is projected to be completed during FY 90, and barring budget constraints the program should be on-line in FY 91.

Additionally, soldiers continue to be trained at the Reserve Component Tank Commanders Course (RCTCC). This course prepares ARNG NCOs and officers for the duty position of tank commanders in

a tank armor company or Cavalry troop. Attendees programmed to attend through FY 91 remain consistent with the number of soldiers trained in FY 89. Expanded training will be provided to include the M60A3 and M1 Abrams Tanks beginning in FY 90.

The ARNG NCO Battle Skills Course (BSC) was developed to sustain combat skills. BSC provides training in the technical and tactical employment of infantry squad, platoon weapons, live fire exercises, and the use of supporting battlefield survival techniques. The National Guard trained 526 soldiers during FY 89, and FY 90 and 91 objectives are similar.

The Professional Development Program began on May 1, 1984. This is an aggressive program to train the AGR workforce to the same standards as their active component counterparts. Military technicians were included in the program on March 7, 1985. Although several modifications have been made to the enlisted military technician requirements, the program remains viable. Full-time support personnel are a valuable, integral element of the unit they support. They are instrumental in developing improved unit readiness, quicker deployability, and leadership in their units. Participation in the program ensures the Army National Guard full-time force will continue to provide the elements of competency expected of a professional soldier and assures continued improved readiness throughout the Army Guard.

SAFETY

In FY 89, the ARNG Safety and Occupational Health Program made significant strides in accident prevention. Overall Class A through C ground accidents were down by 30 percent, fatalities were down by 16 percent, privately owned vehicle (POV) accidents were 7 percent less when compared to FY 88 totals. The aviation Class A accident rate was 2.20 per 100,000 flying hours with the Class A through C rate being 7.56, as contrasted to 2.09 and 8.03 Army-wide, respectively. Significant accident reductions in ground and POV incidents were the direct result of specially targeted campaigns aimed at key task errors. The ARNG implemented the Hazard Communications Program in accordance with Public Law and DoD policy, thereby successfully fulfilling the employee "right to know" mandate. Future accident reduction initiatives will further improve combat readiness by avoiding the cost of needless accidents.

AIR NATIONAL GUARD TRAINING AND EDUCATION

The Air National Guard continues to maintain its high level of combat readiness while preparing for the challenges of the 1990s through its training and education initiatives. Air Force formal technical training schools, in conjunction with unit-level on-the-job training programs, provide Guard members with the skills necessary to perform their wartime taskings as an equal partner in the Total Force.

The Air National Guard is now testing innovative new training

approaches, such as the Consolidated Training Office Concept and the Total Training Management System, which will improve the quality of training while making the most cost-effective use of available resources. These programs will provide for skill development of ANG members through combinations of formal training and practical experience which will qualify them to perform more effectively in their duty positions in the coming years.

In conjunction with these technical training programs, formal education programs, both military and civilian, will provide ANG members with the management, leadership, and technical skills necessary to take us into the next decade. Our education programs will allow us to meet the challenges of dwindling resources, changes in the perceived threat, increasingly sophisticated systems, and a decreasing pool of qualified potential enlistees.

As one way of meeting these future challenges, the Air National Guard has embarked on a program to expand the opportunities for professional military education for its noncommissioned officers through increased in-residence attendance at the Senior NCO Academy, NCO Academies, NCO Leadership Schools, and NCO Preparatory Courses. In addition, our educational opportunities and programs continue to make a significant contribution in the broad areas of recruiting, retention and morale. Since every facet of our society places an increasing emphasis on formal education, our education programs, both military and civilian, often enhance our members civilian skills

as well as their military skills, thus benefiting society as a whole.

Because of our members' dual roles as citizen-airmen, our members occasionally find it difficult to attend training programs on a full-time basis. The Air National Guard has therefore developed several short courses of one to two weeks duration which are designed to increase Guardsmen's skills in their military specialties as well as in the broad areas of leadership, management, and systems.

With the increasing defense role we anticipate the ANG to assume over the coming decade, we believe it is imperative to continue providing the military personnel resources (currently costing approximately \$60 million annually) necessary to pay for these school days. These programs not only meet the needs of the Air National Guard and its members, they also ensure that a ready, cost-effective force will be available to meet any contingency.

The Air National Guard is currently undergoing several upgrades in the quality of simulator assets for our Tactical Fighter forces. The F-16 simulator program has developed with emphasis placed on the Replacement Training Units (RTUs) at Tucson, Arizona, McConnell Air Force Base, Kansas, and Kingsley Field, Oregon. Cost and the heavy demand of the ANG RTUs has driven the placement of these advanced assets at the locations where the training aircrew can derive the most benefit. Due to the advances in technology, much of the operational unit training

can be accomplished by using training devices that are cost effective and less manpower and maintenance intensive. As a result, older generation simulators are being upgraded or phased out of the inventory. The Cockpit Procedures Trainer (CPT) programmed for all the F-16 Air Defense Fighter (ADF) units is just one example of this. Another is the Part Task Trainer (PTT) that is now in procurement for our General Purpose F-16 units and our F-15 units. The PTT will allow our traditional Air National Guard pilots to improve and refresh essential skills required by today's technologically complex aircraft. Both the CPT and PTT will significantly improve the quality of aircrew training at the unit level and greatly reduce the financial costs of that training. While the ANG is moving toward fewer simulators in the tactical fighter units, the acquisition of high quality CPTs and PTTs will continue to allow the force to receive the highest quality training available.

The ANG operates four old C-130 simulators at different locations throughout the U.S. which train our aircrews from 19 tactical airlift units. These simulators support over 450 aircrews in annual refresher programs. Working together with Headquarters, Air Force Reserve (AFRES) and Headquarters, Military Airlift Command (MAC), the ANG has negotiated the transfer of a state-of-the-art C-130 Weapons System Trainer (WST) from MAC. The WST will be used to support a Guard and Reserve western training center at Minneapolis/St. Paul Airport and will train approximately 400 aircrews annually. This trainer along with an

eastern training center, will ultimately train over 800 Guard and Reserve Component aircrews. In addition to the C-130 simulator training, the ANG contracts for civilian commercial simulator training for the KC-135 and mission support aircraft aircrews. These civilian contractors provide a safe, cost-effective means of training aircrews when no military capability exists.

The Air National Guard made substantial gains in the area of medical readiness capability during FY 89. Some of the more significant advances were made in the completion of medical readiness training. The placement of the Survivable Collective Protection System - Medical (SCPS-M) was completed at the Combat Readiness Training Center located at the Phelps Collins Air National Guard Base, Alpena, Michigan. This SCPS-M medical training facility allows the Air National Guard medical units, deploying to Alpena for annual training, to accomplish all aspects of continuing medical readiness training. Previously, this type of training has been the responsibility of the active force to instruct. This capability, now in place at Alpena, will be offered to Air Force Reserve medical units with mobilization tasking and will be made available to the active force should the need arise.

The opportunity to participate in medical readiness training exercises worldwide was extended to several ANG medical and aeromedical evacuation units. Medical exercise involvement offers excellent opportunities to sharpen wartime medical skills.

As a full partner in the Total Force, the Air National Guard is an active participant in overseas deployments, joint training exercises and a wide range of Air Force and ANG sponsored Composite Force Training exercises. Participation in overseas deployments enables entire units to integrate into wartime-tasked theater operations throughout the world. Multi-unit deployments can reduce per unit deployment costs and are used whenever tasking permits. Joint training exercises improve readiness through the development of multi-unit, multi-mission tactics and have greatly increased the combat capability of ANG units.

ANG Fighter, Reconnaissance, Interceptor and Tactical Air Support units deploy to overseas locations under Tactical Air Command's Checkered Flag deployments program and in support of theater exercises. Theater exercises such as Display Determination, Dragon Hammer and Bright Star provide realistic, high threat scenario training by accomplishing predetermined exercise objectives and goals. Small scale overseas deployments such as Creek Corsair and Creek Thunderbolt permit advanced theater employment training for ANG aircrews in the Central European area.

Composite Force Training exercises are sponsored by the Air Force, the Air National Guard, Combat Readiness Training Centers (CRTC's) and individual units and occur throughout the year. These intensive, cost-effective activities continually upgrade the combat capabilities of ANG flying and support units. These

exercises provide realistic training across the complete spectrum of ANG missions; their regional nature makes them ideal for participation by deployed or home station units. The ANG provides support for Army training, both active and reserve components, through the ANG Exercises and Deployments Program. Exercises such as those conducted at the National Training Center at Fort Irwin, California, the Joint Readiness Training Center at Fort Chaffee, Arkansas and Apache Helicopter training at Fort Hood, Texas, provide excellent joint force training to Army and Air National Guard units while expanding and refining joint tactics.

ANG KC-135 units support Strategic Air Command day to day alert and operational requirements worldwide in addition to training to meet wartime requirements. The KC-135 units deploy in support of U.S. Air Forces, Europe and Pacific Air Forces air refueling requirements. The goal of the ANG in these operations is to combine the highest quality air refueling support of European and Pacific tactical forces with intensive training in Europe and Pacific theater tactics for its aircrews and supporting personnel. Conventional task units are deploying to overseas training locations on a three year cycle.

There is considerable emphasis within the Federal Aviation Administration and the Department of Defense to better manage the airspace used by the military. Airspace is a precious national resource which must be shared by numerous users with diverse needs. Environmental factors must be thoroughly assessed and

negative impacts minimized. As a result, the process of managing airspace is growing more complex.

The Air National Guard has begun development of a Long Range Airspace Plan. Proposals for new airspace and modifications to existing airspace are being developed to meet the needs of new weapon systems and missions. Fully coordinated with appropriate state agencies, the FAA, major command airspace managers, and the Air Staff, the process includes initiatives to improve scheduling effectiveness and a pro-active approach to solving environmental issues.

The Air National Guard currently operates one Air Combat Maneuvering Instrumentation (ACMI) range, and fifteen air-to-ground gunnery ranges. ACMI capability will soon be available at three additional ANG locations. The Air National Guard recently completed an ANG Master Range Plan that focused on our current range capabilities and current/projected user requirements. All ANG Fighter, Attack, and Reconnaissance units were surveyed to further identify the ANG's most pressing long range air-to-ground and air-to-air training range requirements. The ANG report identified needed improvement areas for existing ranges, and evaluated/prioritized several initiatives to construct new air-to-ground ranges. The Air National Guard is now working the process to implement the recommendations of this in-depth study.

The Air National Guard conducts officer and enlisted aircrew flying training through a combination of active Air Force,

ANG, AFRES, and home station training programs. Fighter programs are conducted in F-16, A-7, RF-4 and F-4 aircraft at ANG schools. F-15 and A-10 programs are conducted using active USAF and AFRES schools. OA-37 training is conducted with ANG home station assets. Airlift programs are conducted at ANG and active USAF facilities, while formal tanker training relies solely on active USAF assets.

ANG schools located at McConnell Air Force Base, Kansas and Tucson, Arizona conduct F-16A training programs for ANG and AFRES students. Beginning in FY 90, the ANG will begin an innovative program of training Royal Netherlands Air Force pilots at the facility in Tucson. McConnell will phase out the remainder of ANG F-4 training during this fiscal year. Boise, Idaho remains in the RF-4 training business with the important new role of training active USAF aircrews beginning in the second half of FY 90. Air Defense training is conducted at the ANG school located at Kingsley Field, Oregon. F-16 pilots bound for the Air Defense version of the F-16A may receive training at the ANG schools in Tucson and McConnell until the current conversion schedule allows Kingsley to absorb the entire load of Air Defense training. A-7 training takes place at Tucson, Arizona. Tucson will retain the task of training both F-16 and A-7 pilots until the A-7 leaves the inventory.

The ANG conducts advanced tactical airlift training at the Advanced Airlift Tactical Training Center (AATTC), St. Joseph,

Missouri. AATTC trains ANG, reserve, active duty, Marine, and foreign military crews in advanced combat tactics. Attendance at this school is highly sought by all potential users. The ANG also conducts C-130 initial qualification flight training at the 189th Tactical Air Group, Little Rock Air Force Base, Arkansas. The 189th receives students from across the spectrum of those completing academic and simulator training in the active duty school at Little Rock, Arkansas.

Each year, ANG communications personnel from joint communications support squadrons, combat communications groups, communications flights and engineering installation squadrons participate in numerous exercises around the world. During FY 89, over 2,000 communicators participated in over 20 exercises in the Pacific, Caribbean, South America, Middle East and European theaters. These exercises, conducted under a wide variety of circumstances and conditions, ensure our communications personnel are ready to meet their wartime commitments.

ANG C-130 units deploy overseas for exercise participation, scheduled rotations, Special Assignment Airlift Missions (SAAM), airlift in support of Guard unit deployments, USAF airlift augmentation missions and under the Volant Partner deployments program. In FY 89, four different units participated in Europe through JCS exercises and European augmentations. Also, four units participated in the Pacific Theater. All twenty ANG C-130 units can also expect to provide airlift for overseas deployment,

employment and redeployment of other DOD personnel and materials throughout the year. Finally, Air National Guard C-130s rotate to Howard Air Force Base, Panama, in support of Southern Command forces.

The 27 ANG tactical control units are all worldwide wartime tasked. In order to successfully interface with other U.S. and allied existing tactical radar assets, it is vital that we deploy our units to various theater training locations. ANG tactical control units are also playing an increasing role in the Drug Interdiction program.

In addition to the Tactical Airlift C-130 units within the Air National Guard, the 193rd Special Operations Group at Harrisburg, Pennsylvania operates the EC-130E aircraft. This is the only special operations unit in the ANG. This unit participates in over thirteen scheduled exercises annually and in contingency deployments worldwide.

The ANG provides combat and peacetime rescue coverage with two active rescue units. Capabilities include worldwide deployment and theater search and rescue. Units currently deploy aircraft to the Pacific and European theaters to participate in alert missions at Keflavik, Iceland and to perform air refueling training with active duty rescue units throughout both theaters. A third Air Rescue unit will activate in Alaska in April 1990. This unit will take over the responsibility for search and rescue within the Alaskan theater when the current active duty unit deactivates.

The ANG unit at Schenectady, New York provides airlift support to the U.S. Navy Space and Warfare Systems Command's activities on the sea ice north of Greenland and to National Science Foundation sponsored American and European scientific camps on the Greenland icecap. This unit possesses a unique national resource as it has four of eleven snow ski-equipped C-130 aircraft in the Department of Defense. Additionally, the unit provides an extreme cold weather airlift capability throughout the Arctic and also has become increasingly involved in assisting the National Science Foundation in Antarctica by working with the U.S. Navy and providing airlift in support of the United States Antarctic program.

ANG Strategic airlifters support worldwide Military Airlift Command (MAC) requirements throughout the year. C-141 Starlifters and C-5 Galaxy aircraft support MAC by hauling routine and contingency cargo requirements. This support includes missions flown in JCS exercises, Special Assignment Airlift Missions, and on channel missions. These aircraft also provide invaluable support to Army and Air Guard units deploying to training locations throughout the world.

ANG assets are continually requested for exercise participation. The factors of funding constraints, workdays allocation, personnel availability, and airlift limit the exercise program to its current level of participation for the foreseeable future.

MOBILIZATION AND READINESS

The Army National Guard resource and training levels improved overall by 2.43 percent in FY 89. This increase is attributed to a 5 percent improvement in equipment on hand and a 4 percent improvement in equipment condition. Continued use of the Equipment Analysis Program, Dedicated Procurement Program, and intensive management of ARNG units and assets have been key elements in these equipment resource area improvements. However, due to funding constraints, overall improvements in the ARNG during FY 89 were not as significant as the 22 percent improvement achieved between FY 86/FY 89.

Due to shifting demographics, personnel category levels had a slight fluctuation during the past fiscal year, but by the October 1989 Unit Status Report, there was 1.27 percent improvement in personnel. To offset any negative demographic trend, NGB has taken aggressive action to manage sustainment of the current force structure, which includes considerations for restationing units to States that can better support force structure with personnel. Additionally, increased emphasis has been placed on maximizing unit training and enhancing training levels which are critical to maintaining the Army National Guard's force capability within the Total Army.

Based on these initiatives, the Director, Army National Guard has set specific mobilization readiness objectives for resourcing high priority units, reinforcing the "first to fight, first to be

resourced" concept. Bringing all units in a C4 or C5 status to a C3 status on projected dates will require increases in ARNG resources and training levels for these units.

Overall, the ARNG is in a better posture than in any previous period; however, with slowing of force modernization, sustainment and continued improvements in the ARNG readiness posture requires emphasis on acquiring additional resources from Headquarters, Department of the Army and Congress.

NGB MANAGEMENT/UNITED STATES PROPERTY AND FISCAL OFFICES (USPFO)

The Army and Air National Guard budget for 1989 exceeded eight and one half billion dollars exclusive of major items of equipment, which are acquired by the Guard through Army and Air Force acquisition procedures. The Chief, National Guard Bureau exercises his responsibility for management of federal resources and accounting for Federal funds provided to State National Guards through a United States Property and Fiscal Officer (USPFO) located in each state and territory. USPFOs account for an Army and Air Guard equipment inventory valued at over \$51,800,000,000 and a facilities inventory valued at approximately \$20,800,000,000. The National Guard executes contracting actions involving in excess of \$787,137,000 of Federal funds. The majority of these actions involve contracts of \$25,000 or less but the bulk of the dollars are represented by a relatively smaller number of large Architectural/Engineering and construction contracts. During FY 89 the National Guard Bureau took on a

modernization and upgrade of its in-house procurement workforce and continues in FY 90 to pursue more efficient and effective procurement offices throughout the 54 states and territories. This modernization has allowed the National Guard to achieve success in providing opportunities to small, disadvantaged and minority businesses while still maintaining an extremely high level of competition:

NGB '89 RECORD

	DOD	ATTAINED
	GOALS	GOALS
Small Business Set-Aside	52.7%	58.1%
Small Disadvantaged Business		
Prime Contracting (8(a)) and		
Direct)	6.3%	7.7%
Women-Owned Small Business	\$9.M	\$9.6M
Contract Competition Goal	91%	95.9%

USPFOs are routinely inspected by auditors and Army Inspectors General with highly commendable results. The over 570,000 Army and Air Guardsmen are paid and supported through the exceptional performance of our USPFOs and their professional staffs. This unique federal/state relationship is an example of efficient management of a large and dynamic organization in a cost effective manner. However, the National Guard Bureau is concerned about the ability of the USPFOs to meet their responsibilities when current personnel resources only permit a nationwide average manning of less than 85 percent of requirements and at the same

time National Guard roles and missions continue to expand. In addition, because of low federal pay scales, in some geographical areas it has become virtually impossible to retain employees who are trained, skilled and experienced in those functions essential to USPFO responsibilities.

FACILITIES

With significant Army National Guard force structure changes over the past 10 years as well as increased wartime missions, modernization of supporting facilities becomes a vital part of total readiness. Policies developed to provide adequate and functional facilities and infrastructure must, at a minimum, maintain the existing inventory and invest in a logical and prudent revitalization construction program. Through such revitalization efforts, the statement is also being made to the State and local communities as well as to our Guard members that the Army recognizes a commitment to the citizen-soldier by investing in modern facilities where they work and train. In return, such investments have high paybacks in improved morale, productivity, recruiting and retention, as well as improved warfighting readiness.

Current funding levels available to the Army, including the Army National Guard, have fallen short in both areas. The backlog of construction needs continue to grow in spite of Congressional assistance to acquire additional facilities beyond those requested in the annual Military Construction programs. Training ranges and

regional centers, logistical and maintenance facilities for new weapon systems and armories for more intensive home station training to support the expanded missions are more complex and more costly to construct and maintain than in the past. The facilities required for aviation training, larger unit maneuver and weapons firing ranges must be compatible with the surrounding environment and available for year round use. Expansion of the local training area concept is a necessity to maximize training opportunities while reducing materiel operating costs. The enacted fiscal year 1990 Military Construction Program provides \$223.49 million for constructing or up-grading these facilities. The accelerated rate of new facility construction over the past three fiscal years has considerably outpaced Real Property Maintenance (RPM) funding levels. RPM funding requirements will continue to increase proportionately. Degradation of not only older facilities, but also recently constructed facilities, will continue, if current levels of RPM funding are maintained.

Aircraft conversions, new missions and unit relocations have increased the need to replace or upgrade facilities at Air National Guard installations. Maintenance and repair resources dedicated to pavements and aircraft support facilities are not keeping pace with the more demanding criteria of newer series aircraft. Also, recently enacted environmental legislation will require a substantial increase in military construction funding to replace a significant portion of existing underground fuel storage tanks.

RESERVE COMPONENT AUTOMATION SYSTEM (RCAS)

The Reserve Component Automation System (RCAS) has been the subject of a continuing high level of Congressional interest and guidance. The Chief, National Guard Bureau is responsible for the RCAS by Congressional direction. The system will automate the data needed to mobilize the ARNG and the Army Reserve. It is crucial in improving the Reserve Component mobilization capability. In addition, the RCAS will substantially increase the efficiency of peacetime management of the Guard and Reserve. A Request for Proposals incorporating the Functional Description was formally released to industry on December 29, 1989. Proposals are due on April 30, 1990. The RCAS contract will be awarded after completion of a competitive demonstration and formal source selection. The Chief, National Guard Bureau is the Source Selection Authority.

The RCAS Program Management Office coordinated over 13,000 person days of effort with representatives from the Army National Guard, Army Reserve and Active Army to produce the Congressionally-mandated comprehensive functional description for the RCAS. Industry reviewed the draft functional description and its responses indicated the program is within industry capabilities. The RCAS program is achieving the objectives directed by Congress and we are managing resources in accordance with Congressional direction.

HUMAN RESOURCES

One of the National Guard's top priorities now and in the future is human resources. Our goal is a well trained, well equipped, and cohesive National Guard which is essential to the defense of our nation. Our personnel are entitled to serve in an environment that uses their talents, develops their potential, and recognizes their achievements. Our strong commitment to our members and their families must instill the highest sense of pride in themselves, their work, their uniform, and the National Guard mission.

To attain these goals, we strive to attract people with ability, dedication, and capacity for growth. We try to improve morale and productivity through visible and active command programs of equal opportunity and safety that exist as an integral part of the readiness of the National Guard and reflect the demographic mix of a state in that state's National Guard by using innovative methods to recruit, train, retain, and promote our military members, technicians, and civilian employees. We provide opportunity for upward mobility to leadership and management positions within the National Guard and make the National Guard a leader in the fair, equitable and nondiscriminatory treatment of all its members and employees. We strive to establish an environment that recognizes people as its most important resource, an environment that encourages teamwork and constructive working relationships, and employs the best available management practices, techniques and tools for the continuous pursuit of

excellence, and enhance the members' military and civilian job performance by fostering cooperative relations between the National Guard and civilian employers.

SUMMARY

Americans and the Congress are placing their treasure and trust in the National Guard because they know an investment in the Guard is an investment in their future. This reliance in the Guard is what we have always wanted -- and the resources provided by the Congress permit us to accomplish our mission and provide our nation with a dedicated force of citizen-soldiers. Not everyone can serve in today's Guard since the demands are extraordinary. For those who do serve, however, we owe them the finest training and best equipment possible to assure their success. The National Guard has done everything our national leadership and the Congress have asked it to. We continue to assume increased missions, both federal and state, and we place immense demands on our citizen-soldiers. Our soldiers and airmen are expected to be prepared to mobilize, deploy and fight with little or no additional training or preparation -- more than we've ever asked of any generation of Guard members in the past. Yes, the Guard is a national security bargain but only if it can fight and win. The Guard has admirably demonstrated its capability to fight and win when properly trained and adequately resourced. The men and women of the National Guard fully deserve your support.

Mr. HEFNER. General Killey?

SUMMARY STATEMENT OF THE DIRECTOR, AIR NATIONAL GUARD

General KILLEY. Mr. Chairman and members of the committee, I would also like to thank you for the opportunity to appear before you today. I am here representing the nearly 117,000 men and women who proudly serve their communities, their States, and their Nation as members of the Air National Guard. My entire statement was submitted to you and I ask that it be included in the record.

In my prepared remarks, I spoke about the readiness of the Air National Guard and the many accomplishments of the past year that clearly demonstrate our readiness and our combat capability.

I will simply say I firmly believe our outstanding record shows that the Air National Guard continues to be the most ready and capable of all of our Reserve components, a point that I am sure my colleagues would be quite eager to debate.

This past year presented us with many challenges and opportunities—Hurricane Hugo, the California earthquake, the DC-10 crash in Sioux City, Iowa, the Alaska oil spill, and Operation JUST CAUSE. Each of these challenges was met with an immediate all-volunteer response by Air Guard men and women across the Nation.

It has been suggested by some that the Guard and Reserve cannot be counted on short of a mobilization of forces. Mr. Chairman, I can tell you the Air Guard can be counted on whenever needed and wherever needed. Whether flying close air support missions for U.S. ground forces in combat or responding to a crash of a commercial airliner, whether monitoring tactical control radar searching for smugglers, the Air National Guard was there, is there, and will always be there, trained, equipped, and ready to respond to the call of the States and our Nation.

The Air Guard budget that is before this committee provides the funding to continue the programs that have ensured our combat capability.

I solicit your continued support of the Air National Guard as not only a combat-effective element of our national security strategy, but also as a cost-effective way of maintaining a strong national defense. Dollar for dollar, there is no better way to meet the changing defense need of our Nation than investing in the Air National Guard. With the right mission and the right funding, the Air National Guard can plan an even greater defense role. I am confident that the DOD total force study will reaffirm that a strong Air National Guard is essential to a strong America.

As we begin the decade of the nineties, our number one priority is to support our Nation's efforts in the war on drugs. Our air defense interceptors, our reconnaissance aircraft, our tactical control radar units, and other support elements are actively engaged with the Army National Guard in State and Federal missions assisting law enforcement agencies in stopping the flow of drugs into the United States. We are also studying ways to assist in reducing the demand for drugs. Your support of increased funding has allowed us to begin to make a real impact on America's most serious problem.

The challenges of the changing world and the Federal deficit have placed an even greater responsibility on the Air National Guard. We recognize the reality of the tough decisions ahead and will prudently manage our resources.

Again, I appreciate the opportunity to appear before you and am prepared to answer any questions.

Thank you.

[The statement of General Killey follows:]

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON DEFENSE

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: FY 91 AIR NATIONAL GUARD POSTURE

STATEMENT OF: MAJOR GENERAL PHILIP G. KILLEY
DIRECTOR, AIR NATIONAL GUARD
HEADQUARTERS, UNITED STATES AIR FORCE

APRIL 1990

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

Air National Guard

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, thank you for giving me this opportunity to share our past year's accomplishments and my views on a few of the issues facing the Air National Guard.

The Air National Guard's long and distinguished record of superior service to the Nation is well-known. Capable and reliable in combat and catastrophe, caring and responsible in peace and prosperity, the people of the Air National Guard are superbly trained and motivated mainstream Americans at their best. The Air National Guard is a winning combination of cost-effective combat capability and dedicated men and women from your hometowns and mine.

The Air National Guard entered the decade of the eighties in need of modernization. With the commitment and support of the American people and Congress the Air Guard steadily grew -- both in its size and capability to perform increased missions in national defense. And today, thanks to the vision of our national leadership -- backed by sound investments in modernizing, training, and educating our force -- the Air National Guard enters this new decade as a modern, capable and professional force.

Rapidly evolving world events and their far-reaching implications will present new and even more demands for the Air National Guard. Last year, we could only intellectually debate the possibility of the events of recent weeks and months and their impact on U.S. and global military preparedness. The Air National Guard is ready to meet the pressing challenges -- and the opportunities -- in a more dynamic world.

One challenge is that of resources. On one hand we are being asked to accept new roles and expanded missions. Yet at the same time we are being asked to absorb a share of the budget cuts. We cannot do both. We need more to do more. Larger than any major operating command, the Air National Guard has requested \$3.3 billion for FY 91, only 3.4 percent of the total Air Force budget. The reason our budget can be this size is because it contains only those dollars necessary to train our people and perform our day-to-day mission. While the Air Force relies heavily on the Air National Guard to perform essential wartime tasks, we rely heavily on the Air Force to provide us with equipment, training, and management support to perform the mission. The following chart shows our current budget estimates for Fiscal Years 1990 and 1991.

Air National Guard Funding Posture
(Dollars in Millions)

	FY 1989	FY 1990	FY 1991
Operation & Maintenance, ANG	\$2,022.0	\$2,021.0	\$2,175.4
National Guard Personnel, AF	1,033.0	1,058.0	1,089.0
Military Construction, ANG	158.5	199.0	66.5
Total	\$3,213.5	\$3,278.5	\$3,330.9
Guard and Reserve Equipment	\$399.5	\$213.6	\$130.3

The Air National Guard: Americans at Their Best

In peace and in war the Air National Guard is truly Americans at their best. Whether by chance or by direction, members of the Air National Guard were there when needed using their skills to serve the needs of their community and nation.

March 1989: Alaska Oil Spill. The Air National Guard assisted in the massive clean-up efforts that took place in Prince William Sound, Alaska. Among those missions performed by Guard members during the crisis were communications, air operations for both military and civil air traffic at Valdez Airport, aircraft, refueling, and aviation support. Also, the Air Guard committed much needed equipment to accelerate the clean-up effort and help minimize environmental damage.

July 1989: United Airlines Flight 232. Within minutes of the fiery crash landing of the United Airlines DC-10, men and women of the Iowa Air National Guard were on the scene to provide fire and rescue teams, medical personnel and volunteers ready to assist in rescue operations.

September 1989: Hurricane Hugo. Assistance to victims assailed by this devastating tropical storm included 16 Air National Guard flying units from 14 states. Air Guard cargo aircraft airlifted over 1,300 tons of food, fuel, water, shelters, medical supplies, and military equipment to hurricane victims in Puerto Rico and the U.S. Virgin Islands.

October 1989: Gunsmoke 1989. The first place victory of Air National Guard F-16s in the Air Force's worldwide fighter gunnery competition is a clear testimony to our capability. The men and women of the 169th Tactical Fighter Group at Columbia, South Carolina, flying the earlier model F-16A/B, demonstrated to the world that Air National Guard units are well trained and dedicated to fighting and winning.

October 1989: San Francisco Earthquake. Within the first hour of the quake, every unit in the California National Guard was alerted for possible activation. Those units activated assisted civil authorities in helping to preserve life, safeguarding health and property, and in sustaining essential public services. Air Guard medical, engineer, security police and flying units were called to provide support to victims and communities hit hardest by the earthquake. Other emergency services included water supplies, showers, tents and food for homeless victims as well as operating food banks and distribution centers for donated supplies.

December 1989: Operation Just Cause. Air Guardsmen from the 180th Tactical Fighter Group, Toledo, Ohio, and from the 114th Tactical Fighter Group, Sioux Falls, South Dakota, provided air support for ground forces with 140 A-7 close air support sorties as part of the Coronet Cove rotation to Panama. Seven C-130s from four Air National Guard units flew 97 sorties airlifting 416 tons of cargo and 2,395 people, including medical evacuation flights of injured soldiers, sailors, and airmen to medical facilities in Texas. The 172nd Military Airlift Group (MAG) from Jackson, Mississippi, flew 87 C-141 sorties carrying 931 people and 320 tons of cargo to Howard AFB, Panama. The 105th MAG from Stewart ANGB, New York flew 49 C-5 sorties, airlifting 637 people and more than 1,000 tons of cargo.

All volunteer, all citizen airmen, day-in and day-out, our men and women have shown a great sense of national pride, patriotism, and community responsibility. The Air National Guard has again proven itself a world-class military organization.

Training

Aircrews train at formal schools, during exercises and deployments, and at home station. This provides a flexible response to our demanding FY 90 and FY 91 conversion training requirements.

Active participation in overseas deployments, scheduled rotations, special assignment and augmentation airlift missions, joint services, Composite Force, theater, flag exercises, and day-to-day active Air Force requirements provide realistic training across the complete spectrum of Air Guard missions that sustain our warfighting capabilities. In Fiscal 1989, for example, 252 Air Guard units participated in deployments to more than 35 countries. In FY 90, 220 deployments have been forecasted, and in FY 91 we will continue a strong deployment program.

Joint training and support for the U.S. Army are high priorities. We expect our recently established operating location at McChord AFB, Washington to enable us to expand our training opportunities with the Army at Fort Lewis.

Tactical Communications

Fifty-four Air National Guard units represent almost two-thirds of total Air Force combat communications capability. This capability ranges from high frequency, single channel and multi-channeled satellite communications to a full range of telephone, record communications, and air traffic control and landing services.

Air Force and JCS-sponsored exercises both stateside and overseas gave our 7,000 combat communicators "hands-on" experience in simulated crisis and wartime contingencies. Ten out of twelve units inspected during Operational Readiness Inspections (ORI) received Outstanding or Excellent ratings.

The Total Force policy has been instrumental in solidifying the relationship between active duty and Air National Guard combat communications communities. Equipment modernization within Air National Guard combat communications units has been the key to improved Total Force combat communications capabilities and readiness. New equipment, along with new technologies, provides learning challenges that our units have eagerly accepted. It is imperative that our communications requirements be funded to meet global taskings.

More than half of the Air Force's Engineering Installation (EI) capability is found in the Air Guard's 19 EI squadrons. These highly mobile, independent teams support the full range of worldwide installations and upgrades. They participate in major European exercises to test their wartime capability to provide mission-essential repairs, relocations and installations.

The NATO Airbase Satellite mission is new to the Air National Guard communications community. Three newly organized squadrons provide the United States and its NATO partners a survivable, jam-resistant, secure command and control satellite communications system.

Medical

The medical service of the Air National Guard consisting of 101 separate units (91 medical and 10 aeromedical evacuation), has made significant advances in readiness. The Air National Guard has been tasked with more than one-half of the U.S. Air Force's capability to respond to second echelon field medical requirements. It will directly involve nearly 4,800 Air National Guard medical personnel. Worldwide deployments and exercises, and routine mission taskings provide our people valuable training opportunities that keep them proficient.

The Air National Guard medical service has been fortunate in the ability to secure additional health care providers while maintaining a better than 80 percent assigned strength.

Civil Engineering

Air National Guard engineering and services units composed of more than 16,000 competent, dedicated airmen reached their highest ever readiness level in 1989. They participated in over 172 training deployments within the United States and abroad. These included first-time deployments to Denmark, Norway, and Israel. They aided in hurricane relief efforts in the Caribbean and the Carolinas, humanitarian and civic action projects in Central America, drug interdiction support, oil spill cleanup in Alaska, and in earthquake relief in the San Francisco area. Each of these efforts allowed our people to hone valuable combat essential skills.

Once again in FY 89, we exceeded the first year funding execution goal of 95% for military construction. Our military construction execution rate was one of the highest in the Department of Defense. Our FY 91 military construction program includes new mission projects and addresses our most critical current mission needs; however, it will not meet all our requirements. The reduction in the FY 91 military construction program will limit our capability to satisfy our most critical energy and environmental needs and provide necessary upgrades to an aging \$10.3 billion physical plant. The Air National Guard's dynamic environmental program will be adversely affected by reductions in the military construction program. In addition, our backlog of military construction and maintenance and repair projects will continue to grow.

Logistics

Manpower shortages, funding limitations, and significant training demands associated with weapon system conversions or modernizations are stressing our logistics community's ability to maintain a high state of readiness. Nonetheless, the Air National Guard continues to upgrade its capability to rapidly deploy and sustain its forces in a combat environment.

Our modernization program, which includes both newer airframes and avionics system upgrades, has produced significant enhancements in RF-4C, F-4E, F-16A/B, and KC-135E aircraft. Navigation weapons delivery systems in our RF-4 inventory greatly enhance wartime capability. The F-16A/B air defense fighter modification provides improved radar, communications, and AIM-7 missile capability. The KC-135E state-of-the-art autopilot system has improved safety during aerial refueling and reduced maintenance requirements.

Spare parts shortages remain a paramount concern to us, particularly as older equipment requires more and more attention and as newer model aircraft are introduced into the Air Guard inventory.

Modernization Program

Earlier I referred to the Air National Guard as "Americans at Their Best," top-notch members of a modern militia. Their efforts and yours have helped us earn community support and the reputation we enjoy nationally and around the world. We place the greatest emphasis on ensuring that our people are well-trained and weapon systems are mission-capable. We have developed tailored training systems for our F-15 and F-16 units. We continue to modernize with state-of-the-art tactical airlift and air-rescue aircraft, and increase our tanker capability with additional KC-135E aircraft.

It is essential that we continue to increase our warfighting capability at an affordable price with programs such as the F-15A/B Multi-Staged Improvement Program, F-16 enhanced survivability modifications and the enhanced F100-220E engine for the F-15/F-16.

Through Congressionally provided equipment funds, the Air National Guard continues to modernize its flying forces with state-of-the-art tactical airlift aircraft (8 C-130Hs in 1988; 14 C-130Hs in 1989), air-rescue aircraft (16 MH-60Gs and 2 HC-130Ns in 1988), and mission support systems. These new aircraft, combined with Active and Air Force Reserve assets, provide a greater, more rapid response capability than ever before. As I stated earlier, this was aptly demonstrated during Operation Just Cause in Panama as Air National Guard airlift forces played an important role in that operation.

Drug Interdiction and Law Enforcement Support

Individually and collectively the ANG and its members are committed to a drug-free America and are making significant contributions to help rid our nation of illegal drugs. We are relying on the capabilities of our air defense units to intercept and identify unknown aircraft entering U.S. airspace. Together with the Army National Guard, the Air Guard has performed a wide variety of missions including security police support of federal law enforcement officials in the search of commercial cargo for illicit drugs, photo reconnaissance, radar operations to identify/monitor aircraft and training in other highly specialized areas.

Together with Air Force and other DOD components, the Air National Guard continues to support the war against drugs with one deployed radar site and will support three sites when needed. Congress has given the Air National Guard an additional 25 manpower positions to provide better support and communications in our efforts. The continued support of the Congress along with our increased emphasis at all levels of command will help our nation win this war.

Personnel

The following chart depicts the changes in Air National Guard personnel between FY 90 and FY 91:

Air National Guard Personnel Summary

	FY 1990	FY 1991	Program Change
Military End Strength	116,200	116,300	+100
(Drill)	(107,683)	(107,832)	(+149)
(AGR)	(8,517)	(8,468)	(-49)
Civilian End Strength			
Technicians	24,310	23,949	-361
Title V	1,991	2,021	+30

Our members average more than 12 years of experience and are better educated than ever before. The quality of our mix of experience and education is reflected in the results of readiness and effectiveness inspections conducted by the active Air Force when over 52% of our units earned either Outstanding or Excellent ratings. Of special note, Master Sergeant Stephen C. Woodard, a member of the Idaho Air National Guard at Gowen Field, Boise, Idaho, was chosen as one of the Air Force's Twelve Outstanding Airmen of the Year. This prestigious honor came as a result of Sergeant Woodard's work in updating and improving the survivability of the RF-4C Phantom II.

The high education level of our members is increasingly due to the opportunities made available through the Montgomery G.I. Bill. The continued funding of this important legislation has been a tremendous boost to the quality of our work force and the increased capabilities that result.

With the added requirements and missions assigned to the Air National Guard we require our force to grow. In FY 89 we exceeded our recruiting goal for the year when we experienced a net gain of 840 members. Our authorized end strength for FY 90 is 116,200, and we should experience no difficulty in reaching that number early in the fiscal year. Despite our success in achieving total membership, we continue to have problems in manning a few traditionally hard to fill or critical skill vacancies. Continued authorization of our bonus and incentive programs is needed to attract members into critical skill positions.

The high degree of readiness evident in the Air National Guard is due in large measure to the capabilities of our full-time work force. Complementing the skill of our traditional guardsmen they sustain the day-to-day operation of all our units, and the planning of effective training for our traditional guardsmen. In FY 90 this force consists of 24,310 military technicians and 8,517 Active Duty Guard/Reserves (AGRs). The requested levels for FY 91 reflect a small decrease in both programs due to force structure changes. Should future additional missions or responsibilities be assigned to the Air National Guard, then necessary manpower resources must also be included. In my last statement, I identified to you a serious problem in the area of controlled grade authorizations for our AGR program. You responded by studying our concern and included in the FY 90 Authorization Act the increased quotas we needed to initially maintain the AGR program as a viable career program. We thank you for your prompt action. As this relatively new program continues to mature, it will be necessary to continually review these allocations to insure that the minimum grades needed to sustain this essential full-time program are available. We are equally concerned that our military technician program remains a viable program providing good career opportunities for our best people. To do this, our men and women must be adequately and fairly compensated for the work performed. Our military technicians have always been and must continue to be the backbone of our full-time force.

Our retention statistics continue to be the envy of other reserve components. We have established an ambitious goal of retaining 90% of our members who have fewer than 20 years of satisfactory service. In FY 89 we retained 89.7%, a truly remarkable achievement. This high rate of retention is cost-effective as the expense of training replacements is drastically reduced. The Montgomery G.I. Bill has also contributed to our retention capability -- providing additional force stability. Congressional support of pay and allowance enhancements and continued funding of exercises and deployments are also integral factors in motivating and retaining our members.

Our successes in the Air National Guard are built on a foundation of highly trained, capable personnel. We are tremendously proud of the men and women who belong to our organization and solicit your continued support in maintaining those programs we need to recruit, train, and to retain quality personnel.

Summary

In summary, let me say that in our zeal to reduce costs we risk the loss of unique and hard-won capabilities that should be kept viable. We are indebted to those citizen-soldiers who have gone before us and we must vigilantly guard against compromise, foolhardiness, or weakness of resolve in the face of new and uncertain challenges.

The Air National Guard -- an American success story -- is a bargain for the taxpayer, functioning as an ever-present state militia and as an integral element of global combat power. The cost-effectiveness of the Air National Guard offers a significant peace dividend of its own. The men and women of the Air Guard working daily across America reinforce our nation's values and military consciousness.

I believe we have a clear strategy established for the Air National Guard of the nineties -- a strategy that takes full advantage of our strengths as a cost-effective force; a strategy that capitalizes on our unique economies and capabilities; and a strategy fully integrated with a corps of dedicated, highly trained professionals, modern and effective equipment, and a resource commitment that insures sustainability. May we continue to merit the confidence, the hope and the trust our nation has placed in us.

Mr. HEFNER. General Scheer.

SUMMARY STATEMENT OF THE CHIEF, AIR FORCE RESERVE

General SCHEER. Thank you, Mr. Chairman and members of this committee for the opportunity to appear before you and share with you the current status of the Air Force Reserve.

Our story is similar to that you have just heard in the Air Guard. Our Reserve units are all combat ready. In fiscal year 1989, we sustained the previous year's improvements in the quality of our training to obtain the highest level of readiness in our history with over 99 percent of our units designated combat ready. I think these readiness levels are the direct result of a continued team effort of the Congress, the Office of the Secretary of Defense, the Air Force, and the Reservists.

By providing modern equipment, substantial missions, and realistic training opportunities, the Congress, DOD and the Air Force have given the high-quality personnel of the Air Force Reserve the means, and more importantly, the motivation to sustain these high levels.

Our units provided 40,000 participants in support of Joint Chiefs of Staff and Major Command exercises and activities, both overseas and in the United States during fiscal year 1989. These included many, many deployments to Central America, Europe, and the Pacific. The Air Force Reserve supported both military and civilian search and rescue requests with support for the space shuttle, medical evacuations, strip alert, and incidents involving aircraft, ships, motor vehicles, and personnel on foot. Our three rescue units and one in helicopter-equipped special operations unit flew 309 hours in 66 missions and were credited with 28 saves.

As we have heard before, JUST CAUSE was a major role, we played a major role along with the active duty personnel in JUST CAUSE. Our strategic airlift units provided 25 percent of the sorties for that operation. Our aerial medical evac units, our gunship and tactical airlift, all played significant roles.

It is a true example of the degree of volunteerism and patriotism that is available to us out there today. We provided airlift for Hurricane Hugo, participated in the humanitarian response to the Armenian earthquake with four strategic airlift missions we participated.

In summary, the combat readiness and warfighting capability of the Reserve are vital elements within the total force. Modernization and readiness training continue to be our primary concerns as we strive to maximize our ability to defend this Nation during a time of reduced spending. We are pleased with what we have accomplished and are proud to be a part of the best Air Force in the world. We certainly owe a vote of thanks to our families and employers who have supported the men and women of the Air Force Reserve and made their achievements possible. We heartily acknowledge the combined efforts of the Reservist and his/her family and civilian employer which enable us to provide our services to the Air Force and to our country. Without this teamwork, the absences from home and office due to attendance at frequent training activities would be impossible to endure.

Finally, the superb support Congress has seen fit to provide to Reservists, their families and employers is essential, reassuring and gratifying. We remain confident this momentum will continue to prevail.

Thank you, Mr. Chairman.

Mr. HEFNER. Thank you.

[The statement of General Scheer follows:]

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
UNITED STATES HOUSE OF REPRESENTATIVES

APRIL 1990

SUBJECT: Air Force Reserve Program for Fiscal Year 1991

STATEMENT OF: MAJOR GENERAL ROGER P. SCHEER
Chief of Air Force Reserve
Headquarters, USAF

NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
UNITED STATES HOUSE OF REPRESENTATIVES

MR CHAIRMAN AND MEMBERS OF THE COMMITTEE:

Thank you for the opportunity to appear before this Subcommittee and share with you the current status of the Air Force Reserve, the challenges we face and the accomplishments we have made during the past year. Our Reserve units are combat ready. They can be mobilized in 24 hours and deployed within 72 hours or less. In Fiscal Year (FY) 1989, we sustained the previous year's improvements in the quality of our training to obtain the highest level of readiness in our history with over 98% of our units (excluding those in conversion) designated combat ready. This is up from 71% just five years ago.

These readiness levels are the result of a continued team effort: the Congress, the Office of the Secretary of Defense, the Air Force, and the Reservist. By providing modern equipment, substantive missions and realistic training opportunities, the Congress, the DoD and the Air Force have given the high quality personnel of the Air Force Reserve the means and the motivation to sustain these high levels.

MANPOWER

As the members of this committee are aware, the Air Force Reserve has experienced significant mission growth over the past decade and a half. You have made this possible by providing the end-strength required to meet the associated wartime and contingency tasking responsibilities.

Air Force Selected Reserve end-strength consistently grew over the past 16 years. Total growth was approximately 65% between 1970 and 1989. We are recruiting to an end strength of 84,900 in FY 1990, up 1700 from FY 1989. As this growth occurred, however, the size of the full-time force necessary to support the Air Force Reserve declined from 25 to 18 percent of the Selected Reserve. Our full-time workforce of civilians, Air Reserve Technicians, regular Air Force assigned to the Air Force Reserve, and Reservists on Statutory Tours of active duty, finds itself increasingly stretched to meet the ever expanding management requirements of our units, especially with regard to readiness. As our percentage of wartime requirements continue to grow, the peacetime size of the management structure must grow as well. We ask for your support in this critical area.

Personnel Legislation

We owe much of the progress we've made in recruiting and retention to the benefits provided by the Montgomery GI Bill (MGIB). More than 10,000 of our currently assigned reservists are actively enrolled or have participated in the Reserve MGIB at some time during their enlistment. To improve participation, we have intensified management emphasis and publicity on this program, and we have recently initiated a survey to determine the educational interests and needs of the 35,000 reservists who are eligible for the MGIB. Informal inputs from the field continue to show a great deal of interest in the new vocational-technical school benefits anticipated for FY 1991.

The progress of one legislative proposal was not as successful as hoped. The Reserve Officer Personnel Management Act (ROPMA) was introduced in the 100th Congress and again during the first session of the 101st Congress with no resultant action.

While we will continue to manage effectively in the Air Force Reserve until ROPMA is passed, we ask that you consider and adopt the major provisions of ROPMA, when it is submitted again.

Recruiting and Retention

The Reserve recruiting structure continues to achieve exceptional results. Our Air Force Reserve Recruiting Service is unique as it maintains its own offices co-located with Reserve units across the country, primarily targeting a prior service hometown market. This organic recruiting structure is essential to the Air Force Reserve in successfully meeting its future requirements.

Our recruiters are finding an extremely high caliber of people: 76% of all recruits are trained, prior service members and 98% of our non-prior service enlistees are high school graduates or above. Retention was also up in FY 1989. Eighty-nine percent of the people we had on the rolls in the unit program, at the beginning of FY 1989, were still there at the end of the fiscal year. Additionally, we have reenlistment rates of 83% for non-prior service members and 93% for prior service members. Some turnover is healthy; we believe that a 90% retention rate is close to optimum.

Medical Readiness

We saw considerable improvement in our medical capability. While shortfalls of physicians and nurses exist against wartime requirements, we were, with the aid of existing incentive and bonus programs, able to achieve almost 100% of our overall authorized strength in the unit program. While a few vacancies still exist in the units for nurses, we have filled practically 100% of the unit physicians and 103% of the enlisted unit authorizations. The Individual Mobilization Augmentee (IMA) program still has shortages of critical physician skills but we are making progress toward achieving a 100% capability. Major factors in accomplishing these significant improvements in manning include the liberalized maximum age for initial commissioning, and the stipend program for advanced education. Future efforts to reduce the overall shortfall of critical skills will be concentrated in our new program to commission individuals directly into the Individual Ready Reserve (IRR). We will continue to expand the opportunities for our medical care providers to attend the combat casualty care course (C-4), and will be joining the Air National Guard in another joint medical readiness training effort beginning this summer. Once again, I want to emphasize, our medical manning has gone from 86% 4 years ago to almost 100% today.

PROGRAM CHANGES

The effect of the Department of Defense-wide Base Closure program on our people is location dependent. The Air Force Reserve is working with regular Air Force management to minimize Reserve personnel turbulence and adverse impact on unit mission readiness. The bases where Air Force Reservists are most likely to be affected are Norton AFB and March AFB in the Los Angeles basin. Potential additional base closings, i.e., Bergstrom AFB, will be addressed with the utmost sensitivity toward people and mission.

Equipment Modernization

The primary goal of the Air Force Reserve is to train and sustain a superior combat ready force prepared to augment the regular Air Force in emergencies, contingencies and wartime. Today, the Air Force is making great strides by providing our flying units with some of the newest, state-of-the-art aircraft in America's arsenal. The support Congress has given the Air Force has made these modernization efforts possible. We will do everything possible to train our people to ensure that the capabilities of these weapons systems are fully exploited.

We will continue to upgrade our tactical fighter force during FY 1991 with the conversion of our last two F-4 units to F-16s. Our units at Carswell AFB and Bergstrom AFB, Texas will convert to the F-16A/B in late FY 1991.

The continuing F-16 modernization of our tactical fighter force brings a corresponding challenge to the Reserve as we prepare to meet the anticipated threat well into the 21st Century. We must now address the midlife upgrade of this aircraft while ensuring commonality with the regular Air Force, the Air National Guard, and our allies. We coordinate our efforts with the regular Air Force and NATO as an active member of the Multi-national Fighter Program.

Continued Congressional support for the modernization of the Air Reserve Component is greatly appreciated. This support was manifested in a number of ways in FY 1989. Among them were the authorization and appropriation of funds for two new C-130H aircraft to complete the modernization of the 910th Tactical Airlift Group, Youngstown International Airport, OH. We also appreciated the funds to initiate an Air Force-wide upgrade and improvement to the F-100 engines used in the Air Force Reserve's older F-16 aircraft.

Training

By law, category "A" reservists are required to spend fourteen (14) days in Annual Training, and to attend unit training assemblies one scheduled weekend each month. This totals thirty-eight (38) days annually. In today's Air Force Reserve, particularly in the area of flight operations, far more time is needed to accomplish the many training requirements. We depend heavily upon the "volunteerism" of reservists to keep their high proficiency. Our average aircrew member devotes 90 to 110 days annually to the mission.

The Air Force Reserve has long recognized that training innovation and efficient management of training activities are key to improving unit readiness. In 1989, we consolidated our training technology and development activities into the Air Force Reserve Training Development Center (TDC) at Warner Robins, Georgia. To meet unique Air Force Reserve training requirements, course materials and training packages are provided to units through use of interactive video disk technology. We also launched a major Noncommissioned Officer Leadership training program, with the overall goal of making better use of available training time on drill weekends. To further our progress toward that goal, the Air Force Reserve made significant reductions in the numbers of reports, administrative requirements and the amount

of paperwork that traditionally interfered with specialized training activities.

The Air Force Reserve and Air National Guard are developing Regional Training Centers which will provide state-of-the-art simulator training for aircrews. Crews will travel to the appropriate center (Eastern or Western) to accomplish requirements in courses tailored to Air Reserve Component crew member availability and experience. Instructors will be provided through Military Airlift Command's Aircrew Training System contract.

Shortfalls

As I mentioned last year, survival in a hostile environment is paramount to successful completion of our missions. Even in peacetime, our airlift missions take us into a third world environment dominated by heavily armed drug cartels and terrorism. Increased shoulder launched heat seeking missile threats make airlift defensive systems critical to the survival of crews and equipment. Monies provided by the Congress in prior years are allowing us to continue equipping our C-130 aircraft with a passive missile warning receiver and a chaff/flare system. Upgraded electronic countermeasures (ECM) capability in our fighter force is also vital to survival in today's electronic battlefield. Through your efforts, we are in the process of receiving ALQ-131 ECM pods for our F-16's. As a viable member of the Total Force, our goal must be for each Air Force Reserve fighter aircraft to be equipped with state-of-the-art ECM equipment. We will continue a concerted effort to provide our crews the protection needed for peacetime training and wartime survivability.

Exercises

The Individual Ready Reserve (IRR) is a manpower pool of individuals who have had previous military training (either on active duty or in the Selected Reserve) and have a remaining military service obligation. These members are not assigned to units and have no participation obligation. However, they are available to the Air Force in any mobilization scenario. To insure the availability of these members and assess their capability to perform their wartime duties, the Secretary of Defense directed the Services to order these members to active duty each year. In 1989, we accomplished this objective by recalling IRR members in critical wartime shortage skill areas in a manner similar to the actual process that would be used during mobilization. Under this plan, we identified selected members of the IRR with critical specialties, moved them to a Technical Training Center for processing, evaluated their skill retention, and identified follow-on training requirements. This exercise provided an excellent assessment of the actual backfill capability of this important mobilization resource.

Our units provided 40,000 participants in support of Joint Chiefs of Staff (JCS) and Major command (MAJCOM) exercises and activities, both overseas (VOLANT OAK and AHUAS TARA in Central America, REFORGER in Europe and TEAM SPIRIT in the Pacific) and within the continental United States (CONUS). These participants represented Aerial Port, Combat Logistics Support, Enroute Maintenance, Civil Engineering, Operational Flying, Communications, Medical, Security-Police, and Combat Support disciplines.

The effort culminated in 1,147 unit/team deployments, of which 653 were within CONUS and 494 were overseas.

OPERATIONAL ACHIEVEMENTS

The Air Force Reserve continues to make outstanding contributions to the Military Airlift Command (MAC) world-wide airlift system. No matter where the United States Air Force flies, from Antarctica to Africa, from Iceland to Panama, the Air Force Reserve is there.

In FY 1989, our part-time airlifters flew over 63,600 hours in direct support of MAC's operations around the world. This included exercise support missions, Joint Airborne/Air Transportability Training and Special Assignment Airlift Missions, as well as normal channel cargo missions.

The Air Force Reserve supported both military and civilian search and rescue requests with support for the space shuttle, medical evacuations, strip-alert and incidents involving aircraft, ships, motor vehicles and personnel on foot. Our three rescue units and our helicopter-equipped special operations unit flew 309 hours in 66 missions and were credited with 28 saves/assists.

In 1989, the Air Force Reserve showed it could deploy rapidly and efficiently, and fight side-by-side with our active duty counterparts. This was evident in the major role we played in the recent Panama contingency operation, JUST CAUSE, which shows there is no lack of volunteerism among Reservists. Our support covered a broad spectrum of combat and supporting activity including strategic and tactical airlift, aerial refueling, aeromedical evacuation, gunship surveillance and interdiction, and base operating support. Reserve associate crews were on the strategic airlift C-141s that air dropped initial forces into Panama, and they were on the tankers that supported them. Our unit equipped C-5 and C-141 units flew airland missions to Panama as well as supported CONUS airland requirements, while our tactical C-130s provided airland support within Panama. Reserve AC-130 gunships were in Panama when JUST CAUSE began, and they were responsible for destroying several significant targets during the operation. Our aeromedical crews flew on the C-141s that brought casualties out of Panama, and our ground support personnel helped recover and generate these and other airlift aircraft. The Panama operation was an excellent example of how our Total Force Policy can work to support a short-notice contingency operation without the need for a formal mobilization of reserve personnel.

Additionally, in September of last year, the Air Force Reserve was called upon to provide airlift support of the south-east after Hurricane Hugo. We flew 26 airlift missions, 44 weather reconnaissance missions and aerial spray sorties which covered one half million acres in South Carolina during Hugo.

In October, the Air Force Reserve flew five missions carrying 149 tons of cargo and 97 people to California in support of the San Francisco earthquake relief effort.

We also participated in the humanitarian response to the Armenian earthquake with four strategic airlift missions. Two each C-141 and C-5 missions carried a total of 212 tons of equipment and supplies; and 147 passengers.

We have supported the national drug interdiction program with aerial surveillance, air transportation, and technical support, by volunteering in every way, shape or form we can. Our 71st Special Operations Squadron assists law enforcement agencies on request with helicopter transportation, surveillance, communications support, and training of personnel in the use of night vision equipment and clandestine tactics. Reserve intelligence personnel have provided extensive support to NORAD, assisting them in activating their counter narcotics Tactical Intelligence Cell. Reservists from a variety of units dedicated over 1100 days of active duty to this project that will enhance NORAD's ability to support these sensitive operations.

We are actively seeking any and all ways to help in the drug war. Each of our unit commanders has been tasked to offer recommendations as to how his or her unit could help in this fight. We will eagerly offer any assets we have to agencies seeking our assistance.

Unique Reserve Missions

The Air Force Reserve has several unique missions. We provide 100% of the DOD fixed-wing, large area aerial spray capability. Last year, we flew weather reconnaissance during Hurricane Hugo as well as during other less severe storms. Additionally, along with the Air National Guard, we provide 100% of the Air Force augmentation to the airborne fire fighting capability of the US Forest Service with our Mobile Aerial Fire Fighting Systems.

APPROPRIATIONS

The Air Force Reserve appropriations finance operating expenses, civilian and military pay, facility construction, and equipment modernization. The following table depicts our current funding profile:

	(\$ 000)		
	FY 1989	FY 1990	FY 1991
Reserve Personnel, Air Force (RP,AF)	654.2	662.8	684.0
MilCon, USAFR	70.6	46.2	37.7
O&M, USAFR	1072.5	1008.5	1042.5
Reserve Equip, USAFR	<u>227.0</u>	<u>64.0</u>	<u>45.6</u>
Total	2024.3	1781.5	1809.8

The Reserve Personnel, Air Force (RP,AF) appropriation finances the military personnel costs of the Air Force Reserve. It provides for pay and allowances to train our force during regular training, special tours of active duty, and while in school. Funding is also needed for the full-time Reservists support of the Reserve program, the Junior and Senior Reserve Officer Training Corps (ROTC), and the Armed Forces Health Professions Scholarship Program. This appropriation grows \$21.1 million in FY 1991, but real program growth is zero (0.00%).

The major RP,AF adjustments in FY 1991 are for the activation of two F-16 A/B units at Carswell and Bergstrom AFBs in Texas

(\$+12 million), the increased strength of several C-141B units (\$+3.5 million), and an increase in medical personnel to meet wartime requirements (\$+2 million). The remaining increases are required for various training requirements designed to assure that we are able and ready to perform our mission at any time. Major program reductions include the conversion from F-4E to F-16A/B aircraft at Carswell and Bergstrom AFBs, (\$-10.2 million); a decrease of four C-130B aircraft at Peterson AFB, Colorado (\$-1.5 million); decrease of one AC-130A for Special Operation Forces at Duke Field, Florida (\$-1.1 million); two Air Rescue and Recovery Service aircraft; and a reduction (\$-0.5 million) of non-prior service personnel (\$-3.4 million).

The Military Construction, Air Force Reserve (MILCON, USAFR) appropriation provides for acquisition, design construction, expansion, rehabilitation and conversion of facilities for the training and administration of the Air Force Reserve. The FY 1991 appropriation includes \$33.0 million for major construction projects in 17 states, \$1.4 million for minor construction, and \$3.3 million in planning and design funds. Our FY 1990 MILCON appropriation was 35% less than our FY 1989 appropriation. Further, our FY 1991 request is 18% less than our FY 1990 appropriation, a net reduction of 53% of our FY 1989 program, considering both years. With full funding of both FY 1990 and 1991 programs, this reflects a dramatic decreased funding trend. I feel the Air Force Reserve must sustain adequate support, resources and high state of readiness, especially in light of possible regular Air Force cutbacks.

The Operation and Maintenance Air Force Reserve (O&M, USAFR), appropriation finances the day-to-day operating expenses of Reserve units and supports the primary mission of the Air Force Reserve which is to develop, train, and maintain combat ready units and individuals required to augment the active forces during wartime and other emergencies.

The major portion of this appropriation is for must pay requirements such as civilian personnel and military technicians, aviation fuel and supplies which support the approved flying hour program, and depot level aircraft/engine repair and maintenance. This appropriation increases in FY 1991 by \$34.0 million, but actually reflects a program reduction of 0.9%. As depicted in the preceeding table, we experienced a significant decrease in FY 1990 O&M from FY 1989. Also FY 1991 O&M funds required for facilities, maintenance and repair continue to decline. FY 1991 funding represents a decrease of 58% from actual FY 1989 expenditures.

O&M increases in FY 1991 are primarily related to price growth (\$+63.7 million); F-16 Tactical Fighter conversions (\$+15.8 million); conversion to our second C-141 equipped unit (\$+9.0 million); and the annualized impact of expansion to ten aircraft at each of the three KC-135 locations (\$+4.6 million). Major program reductions include F-4E tactical fighter conversions to F-16s with a net loss of six aircraft (\$-21.2 million); the transfer of Special Operations Forces resources to a Defense Agency Account (\$-20.0 million); C-130E conversion to C-141s and the loss of four C-130Bs to backup inventory (\$-7.5 million); reduced depot level aircraft maintenance (\$-2.4 million); and decreased funding for facilities maintenance and repair (\$-2.5 million).

The Reserve Equipment Appropriation (Reserve Equipment, USAFR) is for the procurement of aircraft, vehicles, communications equipment and/or other equipment. The FY 1991 request of \$45.6 million includes \$10 million for the continuing modernization of our F-16 tactical fighter force with new F-100 PW-220E engines and improved avionics reliability, \$6.6 million for C-130 self-contained navigation systems and defensive systems, \$5.0 million for miscellaneous equipment and \$24.0 million for one C-130H aircraft.

CONCLUSION

In summary, the combat readiness and war fighting capability of the Air Force Reserve are vital elements within the Total Force. Modernization and readiness training continue to be our primary concerns as we strive to maximize our ability to defend this nation during a time of reduced defense spending.

We are pleased with what we accomplished in 1989, and proud to be a part of the best Air Force in the world. We owe a special vote of thanks to our families and employers who supported the men and women of the Air Force Reserve and made their achievements possible. We heartily acknowledge the combined efforts of the Reservist, family, and civilian employer which enable us to provide our services to the Air Force and to our country. Without this teamwork, the absences from home and office, attendance at frequent training activities, and all-hour availability would be impossible to endure. Finally, the superb support Congress has seen fit to provide to Reservists, their families, and employers is essential, reassuring, and gratifying. I remain confident this momentum will prevail in the 101st Congress.

This concludes my prepared statement, Mister Chairman. I am ready to respond to your questions.

FORCE STRUCTURE

Mr. HEFNER. Last year the DOD Appropriations Act provided increased funding and manpower authorization to restore force structure reductions proposed in Fiscal Year 1990.

In addition, the conferees stated that for fiscal year 1991, any force structure reductions based solely on budgetary considerations should be held in abeyance pending the DOD study on total force policy, force mix, and military force structure required by Section 1101 of the National Defense Authorization Act, 1990.

The downsizing of the Air Force Reserve and Air National Guard wings is once again included in the Fiscal Year 1991 budget, for the third time.

Why is this force structure reduction proposed again in Fiscal Year 1991? General Scheer, do you support it? If so, why?

General SCHEER. I can only surmise that this reduction was a result of the overall reduction in defense and this is our fair share, if you will, of the overall cost reductions.

Now, certainly when you reduce small units even smaller, it does cost you some operational flexibility, and it creates problems in training and so forth that wouldn't exist otherwise.

When we reduce units such as helicopter units from four to three airplanes, it becomes difficult to satisfy the mission and certainly it is not a good way to amortize the overhead.

So I can't give you a good answer as to why it was done other than it was our fair share of the costs, and certainly we will make do with it if that is what is required.

Mr. HEFNER. Do you need these aircraft to sustain required capability or can the units function properly without them? When you said you could make do, that didn't sound like a ringing endorsement.

General SCHEER. I guess nobody likes to get cut. When you are talking about the rescue units which were part of this cut, and they are very small units to start with, maybe four to six rotary wings and about the same number of fixed-wing aircraft, so when you start reducing any portion of these units then it is very questionable as to whether you can do the job.

Some of our contingency plans require more than that many aircraft to respond so by that definition, we could not. In the airlift role, yes, if we reduce four airplanes out of a 16-airplane unit, then we obviously have only 75 percent of the capability we had before, and certainly 25 percent of mission capability is reduced. I would say though that whatever is left we will be able to maintain at the current readiness levels.

General KILLEY. Let me just add a couple of things.

I concur totally with what General Scheer said. I think the timing of the budget process also partly had an impact on this.

When the Air Force submitted their Fiscal Year 1991 budget to OSD, I don't think Congress had yet restored that force structure. When OSD forwarded the budget along with their priorities of major cuts, they had the short-term option of not restoring that force structure versus cutting units. I believe, in the long-term, they will restore the force structure as soon as they get a better handle on the priority of these major budget cuts.

REPROGRAMMING

Mr. HEFNER. One other question.

The services and the Air National Guard have requested reprogramming authority to offset the effects of sequestration on their military personnel.

General Scheer, why didn't the Air Force Reserve submit such a reprogramming to recoup their loss?

General SCHEER. Mr. Chairman, we did.

We requested a \$10 million reprogramming effort, but that was denied.

Mr. HEFNER. Mr. Young?

ACMI TRAINING RANGES

Mr. YOUNG. Mr. Chairman, thank you very much.

General Conaway, we haven't seen you since your new assignment and promotion. Congratulations.

In the years we have had a chance to work together, one of the big issues has been the training capability provided by the TAC ACMI ranges and we have worked to make sure those were available to the Guard and Reserve.

Do we have enough time on the ranges now for the Guard pilots and Reserve pilots?

General CONAWAY. We are making great progress there, Mr. Young.

Let me have the experts answer that.

I take the questions and these two take the answers.

Mr. HEFNER. But you can pick the experts, can't you?

General CONAWAY. Yes.

General KILLEY. Our ACMI at Gulfport, MS, is providing great dividends for us. It is the realistic training that we must have. Not only do we have an air-to-air capability there, the range will also give us an air-to-air ground capability. Forthcoming is the ACMI at Wisconsin and ACMI display and debriefing systems at Georgia and Florida. These debriefing systems will be used with Navy air-to-air ACMI range.

The unique ACMI equipment affords us that realistic training that we are unable to get elsewhere.

At Gulfport, it is producing obvious results for us in the quality of training that it provides us.

Of course, we are not yet up and running in the other locations.

FLYING TIME FOR PILOTS

Mr. YOUNG. One more question, are all of your pilots getting to fly the ranges?

General KILLEY. To fly on those ranges?

Mr. YOUNG. Yes.

General KILLEY. They will, particularly those that have air-to-air tasking. We plan to schedule all of our pilots into those ranges, but currently we haven't scheduled them all.

The scheduling process is starting to fill up so we are getting a good cross section of our units that are utilizing that facility in Gulfport.

As we get all these systems operational three of those up, we will be able to get the follow-on training required for maximum utilization of those ranges.

Mr. YOUNG. General Scheer.

General SCHEER. I will give you the same answers.

Certainly you can't get enough of those. All of our people get on those ranges, and a good number of our units deploy to get to them.

The degree of participation is, literally, we can get all of our people on those ranges often enough to keep their training at the very highest levels.

Mr. YOUNG. I am glad to hear that because when I started working on this issue quite a few years ago, it seemed this was the best thing that we could do to prepare a pilot to fly a combat mission and I am glad the Congress agreed and that we have been able to get these ranges in the process, and I appreciate those comments.

WC-130 WEATHER RECONNAISSANCE PROGRAM

I have to ask something important to those of us who come from the Southern parts of the United States.

Regarding the WC-130 weather reconnaissance program, the fiscal year 1991 budget proposes to transfer the hurricane reconnaissance mission to the Air Force Reserve. However, the Secretary of Defense has requested the Department of Commerce to take over this mission in fiscal year 1992.

General Scheer, does the fiscal year 1991 budget include sufficient funds to support the Air Force Reserve WC-130 weather reconnaissance mission?

General SCHEER. Yes, sir.

With the resources requested in the fiscal year 1991 budget, we can and are prepared to assume the full weather reconnaissance mission beginning, I believe, in the third quarter of Fiscal Year 1991.

Mr. YOUNG. If we should disagree with the Secretary of Defense and keep that mission as a permanent assignment to the Air Force Reserve, would that give you any problem?

General SCHEER. No, sir.

Mr. YOUNG. Do you think the Air Force Reserve would be able to recruit sufficient and qualified manpower to support the mission?

General SCHEER. Yes, Mr. Young.

I don't think there is any doubt about that.

To meet our requirement of April of 1991, we are going to have to get on with recruiting of that fairly soon. Any delay would jeopardize the start-up date and we would have to ask our active duty counterparts there to stay on a little longer.

If the decision is made today and the decision is made for us to stay in the mission, then we can recruit and satisfy the weather reconnaissance mission.

Mr. YOUNG. This subcommittee has been the primary factor in maintaining that mission.

At one point, there was a decision to terminate the mission and do it all by satellite and those of us who are faced with hurricanes from time to time recognize the importance of this mission and

how much better it can be done by man than by a satellite. We appreciate the fact that you would have no problem fulfilling the mission if that mission should be continued to be designated to you.

I have a couple of other questions on that subject that I will submit in writing and ask you to respond to for the record.

[CLERK'S NOTE.—Questions submitted by Mr. Young and the answers thereto follow:]

QUESTION. Under the current plan, how many aircraft and manpower will be added to the Air Force Reserve in FY 1991? What is the expected shortfall?

General SCHEER. Under the plan eight WC-130s would transfer from the active duty 53rd Weather Reconnaissance Squadron to the Air Force Reserve. These eight aircraft would be added to the four WC-130s already possessed by the 815th Tactical Airlift Squadron making a total of 12 aircraft. These aircraft would be designated as eight Primary Assigned Aircraft (PAA) and four Backup Aircraft Inventory (BAI), however, all 12 aircraft would be available to support the weather mission.

Ninety-seven Reservists, of which 63 are Air Reserve Technicians (ARTs), will be hired into the 815th and be combined with the Reservists and ARTs already assigned to the 815th TAS. These 872 Reservists and 288 ARTs will make up six full-time and 20 part-time aircrews, 12 full-time and four part-time weather crews and the maintenance complex necessary to support the five sorties per day/1600 flying hours per year required by MOA between NOAA and DOD. The resultant composite Airlift/Weather Reconnaissance Squadron offers a unique, cost effective solution and an inherent surge capability above stated requirements.

QUESTION. Does the Air Force Reserve plan to continue this mission in FY 1992 and beyond? If not, why not?

General SCHEER. As the plan indicates, it is our intent to operate this mission until we are instructed to do otherwise. It would not be in the best interests of the Department of Defense and the Air Force to hire and train personnel to take over the mission in FY 1991/93 and then terminate the mission a short time later. In fact, we would not be able to recruit for a mission that might only run for a year or two.

QUESTION. An alternate proposal to the current plans would be to maintain the weather reconnaissance mission as a separate designated squadron utilizing 10 PAI and 2 BAI aircraft manned by 16 aircrews consisting of 6 full time and 10 part time crews, with 2400 hours of flying time dedicated to operational weather reconnaissance, winter storm, research missions, and aircrew proficiency training. General Scheer, what are your views concerning this proposal? Please elaborate for the record.

General SCHEER. First, the Air Force plan gives us a composite Airlift/Weather Reconnaissance Squadron offering unique, cost effective solutions and an inherent surge capability above stated requirements. We will have the entire resources (people, equipment, and funding) of the composite unit to accomplish any and all requirements of the weather mission.

The alternate proposal would almost double the cost over the current Air Force plan yet would offer no needed increased weather reconnaissance capability.

[CLERK'S NOTE.—End of questions submitted by Mr. Young.]

Mr. YOUNG. Thank you, Mr. Chairman.
Mr. AUCOIN. Mr. Dixon?

FUNDING FOR CALIFORNIA GUARD

Mr. DIXON. Thank you, Mr. Chairman.

My question is directed to the California Guard. You may recall that the 1990 appropriations report language recommended \$10 million to the California Guard, and I am wondering what portion of that \$10 million, if any, has been allocated to the California Guard?

General CONAWAY. We have allocated the \$10 million to General Thrasher and the California Guard for both interdiction work that they are doing along the border for eradication work and for an interagency training center that has started at San Luis Obispo because there is a need at all levels to learn how to better communicate with each other.

General Jeffords who works for General Thrasher has undertaken the establishment of this interagency training, and we thank you very much for your support.

California and Florida have basically become our lead States in the counternarcotics operation for the National Guard and they are off and running very well.

Saying that, remember we did not get the money until February, 1990.

From 1 October 1989 until February 1990, when the money was transferred to us for the counternarcotics operation they operated similar to a continuing resolution authority. Obligating at last year's rate so they have not been able to start ramping up until the past 30 days.

Mr. DIXON. They have received the entire \$10 million?

General CONAWAY. That is right.

Mr. DIXON. So information that I had that they have only received \$7.9 million of that programming is incorrect?

General CONAWAY. It is programmed for them and it is theirs.

Mr. DIXON. It is programmed, earmarked, have they received it?

General CONAWAY. Yes.

They receive it in increments and I think they have received basically the whole amount.

The allocation goes out by quarters. It is all theirs. They were concerned about the ability to actually expend all of that by the late start, but now since the Secretary of Defense has approved this training center to help them increase their role, I am confident that they will be able to expend those funds.

Mr. DIXON. Thank you very much, General. I have an additional question for the record.

[CLERK'S NOTE.—Question submitted by Mr. Dixon and the answer thereto follows:]

Question. I have heard that the Department of the Army has decided, based on an analysis conducted in 1986, to eliminate three California National Guard Military Police units in the San Francisco Bay Area. I question whether this decision should be reevaluated since these types of units are the very kind we need in the counter-narcotics program.

I think that the Army should reconsider their plan and maintain these military police units. A four year old analysis really is not much good today especially with the new emphasis on use of the Guard in the war against drugs.

How can we get the Army to cancel their plan to eliminate these units?

[CLERK'S NOTE.—The Department was unable to provide a response in time to be printed in this hearing volume.]

RETENTION OF PERSONNEL

Mr. AuCOIN. Mr. Miller.

Mr. MILLER. Thank you, Mr. Chairman.

I noticed in one of the statements that you were talking about retention of personnel. Is that a big problem at the present time?

General CONAWAY. No, it is not. It is doing very well right now, thanks to a lot of the incentives, the Montgomery GI bill, of the bonus money that you have funded for critical skills, and the educational benefits. A lot of the training opportunities that are provided the Guard and Reserve overseas, whether it is in Central America, the Caribbean, people in Team Spirit in Korea, or Re-forger, those exercises contribute to retention, and retention is superb at the moment.

Mr. MILLER. Do you have a recruiting problem that would not give you the personnel needed within a given period of time?

General KILLEY. Let me just say the Air National Guard recruiting program, along with the retention program is at an all time high. As of this week, we are exceeding our program strengths of 116,900. Retention-wise, in the Air National Guard we have a goal to retain 90 percent of our enlisted folks with less than 20 years. We are exceeding that goal right now, so recruiting and retention programs in the Air National Guard are certainly the best they have ever been. I would attribute that to several things.

People are staying in the Guard and joining the Guard because it is a job that they totally enjoy. They feel that they are contributing to something more than just themselves, and their families. They are contributing to their communities, their states, and their country.

Of course, our incentive programs are improving. Our recruiting and our bonus programs allow us to zero in on those critical skills. That just what we need to retain our required strength.

Mr. MILLER. How do you recruit? Are you working out of the same offices that we have for the active forces? People are out at recruiting centers in most every county I guess—

General KILLEY. In the Air National Guard our units have their own recruiters and of course, there is a head recruiter for Recruiting Department at state headquarters. We do not have recruiting personnel assigned to different Air Force bases. Just this past year we put a recruiter in Europe to talk to all those people that are getting out of the Air Force, to tell them the Guard story.

Now it is different at Air Force bases, where the Air Force is required to inform the person getting out about potential opportunities in the Guard and Reserve. We do send one of our recruiters from the local area to the Air Force installation. This is to insure

those people have an opportunity to find out about positions in the Guard.

Mr. MILLER. That makes a lot of sense. Do you use the same facilities as the Air Force and the Army and the Navy in order to recruit? We see this big recruiting sign out and we see the recruiting commercials on the television, but you do not use any of that?

General KILLEY. We do not use the same recruiting offices as the Air Force or any other Service. We do use the Military Entrance Processing Stations—MEPS—facilities for physical examinations and testing, but we have our own recruiting facilities within each unit.

Mr. MILLER. How much is spent on recruiting?

General KILLEY. We average approximately \$1,400 per person in the Air National Guard.

Mr. MILLER. Per year in the budget?

General KILLEY. Total, per recruit. That is every person that we recruit into the Air National Guard.

Mr. MILLER. Let's put it another way. How many do you recruit in one year?

General KILLEY. Right now we are averaging approximately 12,000 people per year in the Air National Guard.

Mr. MILLER. That is a decent amount, but not as high as some of the other Services for sure, and my concern on that was the fact that we will have a personnel surplus if we bring home some 75,000 people from Europe. How many will be returning from Korea and how many from Japan is unknown at the present time, but we will have a surplus. I'm just checking to see if the right hand knows what the left hand is doing and that we do not bring new recruits in the front door and as we take current personnel out the back. We pay money to break their contracts. That is the way it will be as the personnel come home.

General KILLEY. Like I said before, we are full and we attribute that to primarily our successful retention, that we are retaining people. We are also looking at some alternate policies. Right now, we don't allow people to get out early from their commitment to the Air National Guard. We will be looking at alternatives like that so we will be able to take on more accessions of those prior service people that are getting out.

I think one of the reasons we surged in the last couple of months and achieved our end strength was because we are taking on more of those prior service people that are currently getting out.

OPERATION JUST CAUSE

Mr. MILLER. I saw another item in the hearing testimony concerning Operation JUST CAUSE, and would you give us a little background as to what your responsibility was at that time, how big it was compared to the other Services?

General SCHEER. Yes sir. I have some figures on total missions flown but basically, in the Strategic Airlift, the C-5, C-141s, we flew about 25 percent of those missions directly involved with Operation JUST CAUSE. We flew a significant amount of aeromedical evacuation, a significant amount of gunship sorties down there, and tactical airlift, the C-130s.

I don't know how that compared with the participation from the other Services. I would say that we were asked to do a considerable amount, but we had literally five volunteers for every request that the Air Force made of us. These requests were made in most cases, with a 24 hour response time. There was very little warning to it. So we really are extremely proud of what those people did in literally an overnight response.

Mr. MILLER. You had five volunteers for each one——

General SCHEER. At least that. We could have provided more aircraft and more people, but the requirement just did not exist. But even with Strategic Airlift, where you need an awful lot of aircraft in a very short period of time, there we performed 25 percent of that mission. So that is a point that we want to emphasize on the Total Force Policy study. There is a significant capability out there on a volunteer basis that can be utilized you can get to without a mobilization.

Mr. MILLER. Many times the people will not want to volunteer in some cases, in some Services, but here five to one, that is a pretty good amount. Why do you think you had that many that would volunteer? Was there some special incentive at the time?

General SCHEER. No sir. I think the sum total of it is what Phil touched on before, the degree of job satisfaction that the Air Force has put into the Air Reserve Components' responsibilities. Prior to total force, the Air Force Reserve was truly in deep reserve, relied on very little for anything short of all out war. However, today we are in every contingency tasking, every war plan that is on the books. That has added a higher degree of training requirements but has upped the capabilities and put a degree of pride in the people that just wasn't there before. So when they get a chance to volunteer for something other than the normal peacetime training, they are more than eager.

Mr. MILLER. I suppose that we may have more of that in the future. Instead of having an all out war we will need special forces for special operations. We need to be able to get people out in the world wherever there is a problem, and put out a brushfire quickly so it does not escalate into that large scale war.

General KILLEY. Let me, if I may, comment on some of the Air Guard's involvement in Operation JUST CAUSE. I think everybody in this country was duly proud of the Active Guard, and Reserve, particularly the quality people we have in the military that fully demonstrate our readiness and our capability. I don't think it was advertised nationally that the Guard did this and the Reserves did that, and the active did this, because we are a total force and that is the way we implemented this specific operation if the mission was totally successful.

On the Air Guard side we had two strategic airlift units, from our C-5 units in New York, and C-141 unit in Mississippi. We utilized every airplane they had except those in major depot repair. In addition, we provided all of the tactical fighter coverage in theater with our A-7s.

Your 180th out of Toledo, Ohio was on a Coronet Cove rotation when Operation JUST CAUSE kicked off. They flew over 70 sorties in support.

Those A-7 units were indeed responsible for many of the Panamanian Defense Forces surrendering, because of just the presence of that airpower overhead.

I had the opportunity to go down there and talk to General Thurman. I spent almost an hour in his office, and he commended everybody, but particularly he wanted me to know that he was very proud of the Air Guard men and women that were performing in Operation JUST CAUSE. He couldn't tell the difference between Active and Reserve components. I think that really says what our total force is all about, and what we should look for in any future contingency operations.

Volunteerism works. We are going to be there day, night, bad weather, good weather, Christmas, or New Year's. All you have to do is call, and the Guard will be there.

Mr. MILLER. I know I am beyond the five minutes, but I am trying to compare in my mind how we stack up. We have the active components of the Army, Navy, and Air Force and we have the Guard and Reserves. For Operation JUST CAUSE have you any figures as to how many people were used, as an example in the Air Force or the Army, and how many were in the Guard? Is this something that is on the books?

General KILLEY. I have not seen a breakdown of the utilization by components, Active and Reserve. The way it as an operation that kicks off like that, of course it is determined by the President and the Secretary of Defense, and what they are going to do and they plan to in the Joint Staff, then they task the CINC in that theater to determine his plan.

He in turn sends the plan back to the Joint Staff and they task out to the major commands. In the Air Force, they task to Strategic Air Command for strategic resources, or Military Airlift Command for airlift, and they make the determination which forces they want to use, whether Active, Guard, or Reserve.

They utilize a full spectrum. They knew their requirements as far as the Guard was concerned, called us, and asked, "What can you provide?" We told them, in this amount of time, and the CINC used them. I can give you a breakdown.

Mr. MILLER. I thought it would help the committee if we had a breakdown, because if we had another Operation JUST CAUSE or something like it, you probably would need to call upon the same percentage from the Guard and the Reserve and the same amount from the Army, Air Force and Navy—it is hard to say. It would give us an idea as to where you stack those up, how many people were called on, and in what branch. If you could furnish that for the record, I would appreciate it.

General KILLEY. In the formal war taking, we know how we would be used. In informal tasking, such as Operation Operation Just Cause, or Grenada, Libya or any of those where it is a contingency that we did not have a formal plan for, then that process is how it would flow. I will get that information for you.

[The information follows:]

During the recent Operation Just Cause in Panama, two ANG tactical fighter A-7 units (Toledo, OH and Sioux Falls, SD) flew 140 sorties. Additionally, nine ANG airlift units flew a total of 233 airlift sorties (57 missions), and transported over 3,963 personnel and nearly 2,000 tons of cargo:

105 Military Airlift Group (Stewart, NY)—C-5 aircraft, 14 missions (49 sorties);
172 Military Airlift Group (Jackson, MS)—C-141 aircraft, 21 missions (87 sorties);

and

Various C-130 units (Wilmington, DE; Dallas, TX; St. Joseph, MO; Channel Islands, CA)—22 missions (97 sorties).

Other units participating were:

193 Special Operations Group (Harrisburg, PA)—EC-130E aircraft, 18 missions (18 sorties);

Aerial Port Operations—165 TAG, Savannah, GA provided people at Hunter AAF, 145 TAG, Charlotte, NC, moved deice equipment to Pope AFB; and

Aeromedical personnel and equipment—172 MAG, Jackson, MS, 109 TAG, Schenectady, NY.

Units serving alert duty during the operation:

Wing Airlift Control Elements at: 146 TAW, Channel Island, CA, 137 TAW, Will Rogers, OK, 136 TAW, Dallas, TX, 118 TAW, Nashville, TN, 133 TAW, Minneapolis/St. Paul, MN.

Mr. MILLER. Thank you.

Mr. AUCOIN. We thank the witnesses. Mr. Sabo and Mr. Livingston have questions they would like answered for the record. In addition, please answer the following committee questions.

[CLERK'S NOTE.—Questions submitted by Mr. Sabo and the answers thereto follow:]

NATIONAL GUARD EQUIPMENT

Question. Over the next several years, the Army intends to deactivate at least three active divisions. The Air Force has plans to eliminate a number of active air wings.

How will the Army's plans affect the equipment modernization programs for the Army National Guard and Army Reserve? In particular, when will the Army begin to transfer increased quantities of modern equipment—M-1 tanks, Bradley Fighting Vehicles, M-198 howitzers, Blackhawk and Apache helicopters, and new communications gear such as Mobile Subscriber Equipment—to the reserve components?

How many older tanks—M48 and M60A1—remain in the reserve and guard inventory?

Will Army National Guard and Reserve units suffer from changes the Army has proposed in its overall equipment plans? For example, will changes in the Army's Aviation Modernization Plan decrease the number of modern helicopters in these units? What about tanks, wheeled vehicles, and trucks?

How many Small Unit Support Vehicles are in the budget, and where will they be located?

AR Answer. The Army's plan for modernization of USAR units has improved due to the inactivation of active component structure. However, the types of equipment available for distribution are primarily combat equipment, and the Army Reserve is essentially combat service/combat service support units. The National Guard will benefit primarily from the combat equipment being displaced.

Thirteen M1 tanks being displaced from Fort Knox, Kentucky, will be provided to the 100th Training Division located at Fort Knox, Kentucky. The USAR is not scheduled to receive Bradley Fighting Vehicles under current distribution plans; Bradleys will be distributed to National Guard units. M198 howitzers will be provided to USAR units following depot rebuild enabling reorganiza-

tion of field artillery units to the three by eight conversion to be effected as previously proposed. Mobile Subscriber Equipment proposed for Europe will be available for distribution to Army Reserve units. However, if the equipment is distributed, other support items of equipment will not be available. Since this decision is two-fold; personnel spaces and equipment availability, the final decision has not been made.

Existing tanks in the Army Reserve inventory consist of M60A3 versions. No M48/M60A1 tanks remain in the USAR inventory.

We believe the reserve components' equipment capability will be improved by the redistribution efforts; however, the outyear plans have not been finalized. Ultimate distribution of equipment to the Army Reserve will be predicated on the type of equipment available and the geographic proximity of the inactivating unit versus the proposed gaining unit. The final choices of receiving units will be primarily to reduce transportation costs associated with transferring equipment.

At the present time, the only decrease in the Army's Aviation Modernization Plan which affects the USAR is elimination of UH-60 (Blackhawk) fieldings to three Assault Helicopter Battalions in 1997-1998. These helicopters would have replaced the aging UH-1H helicopters the unit is currently flying. The elimination of the UH-60 fieldings was brought about by budget reductions, coupled with force structure eliminations.

The Army Reserve has increased densities of tanks, wheeled vehicles, and trucks due to the inactivation of active component structure. Previously planned 5 ton truck and High Mobility Multipurpose Wheeled Vehicles distribution by the active component were approximately 200 and 660 vehicles, respectively. Due to displaced equipment and the draw-down of European-based force structure, the Department of the Army distribution has increased to approximately 800 5 ton trucks. An additional 150 Heavy Expanded Mobility Tactical Trucks will also be delivered to the Army Reserve from previously identified active component distribution.

The Army Reserve will receive a total of 258 Small Unit Support Vehicles for the 205th Separate Infantry Brigade. Of these, 22 were procured with Dedicated Procurement Program funds. A total of 193 vehicles will be prepositioned at Fort Richardson, Alaska. The remaining 65 vehicles will be located at New Brighton, Minnesota. Additionally, a total of 157 vehicles are in the fiscal year 1991 budget for procurement for the 187th Infantry Brigade (Separate).

ARNG Answer. Existing plans for modernization of the Army National Guard are already being effected by the planned changes in the AC force structure. Transfer plans are already being made for the known and expected increased quantities of modern equipment; M1 and Bradley vehicles are already identified from FY 90 force structure changes. Redistribution of the M113A2 from the AC has resulted in cancellation of procurement plans for the M113A3 and other redistribution actions may have similar effects. The aviation related modernization plans remain on track, but charges in active component force structure currently will not effect ARNG on hand inventories of aircraft. The ARNG is in continuous contact with the AC in an effort to ensure the changes in equipment availability serve the best interests of the total army.

The ARNG has no M60A1 assets and only 208 M48 tanks remaining in the inventory.

The changes in the Active Component procurement plans could result in delays in modernization of the ARNG fleets due to reduction in availability of the more modern equipment. Shutdown of the UH-60 and M1 production lines increase the requirement to retain, maintain and operate the older less capable equipment. Even though assets coming available from force structure reductions are expected to significantly improve the ARNG equipment posture, cuts in procurement will result in the ARNG retaining the older generations of equipment.

The ARNG is procuring 184 SUSV with FY 1990 DPP funds which will meet the ARNG total requirement for the SUSV. Upon receipt assets will be distributed to Alaska, North Dakota and Vermont.

Question. In terms of the Air Force, will the aircraft and supporting equipment from deactivated active wings be transferred to the Reserves?

AFR Answer. We don't know the answer at this point. FY 1991 is a transition year in terms of overall force structure and force mix issues. I believe the FY 1992 budget will shed more light on this subject.

ANG Answer. As active duty force structure is reduced, aircraft and their associated support equipment will be used to modernize the forces of the Air National Guard and Air Force Reserve. Equipment not needed for Air Reserve Component modernization will be used for foreign military sales or retired from service.

FORCE MIX DECISIONS

Question. Given the dramatic changes in Eastern Europe, our national security strategy, especially in terms of conventional conflict appears to be changing from one of deterring Soviet aggression to one under which we prepare for a wide range of contingencies. I think this implies a need to reduce our reliance on active forces if that becomes necessary. Do you agree that we will need to continue or even increase our reliance on reserve forces?

ANG Answer. The dramatic changes in Eastern Europe will allow the active Air Force to rely less on forward deployed forces in Europe. However, the instability and uncertainty of the overall threat requires that the Total Force maintain an infrastructure of forces within the U.S. (during this period of uncertainty) and the ANG is the most cost effective location of these forces. Budget constraints combined with increased warning times make the preservation of high technology force structure at a cost-effective rate an attractive alternative. We feel that more reliance on the reserve is an enviable outcome of the dramatic changes taking place today.

AFR Answer. Yes.

Question. Why does the Department of Defense plan to reduce the size of our reserve forces? Is this justified?

ANG Answer. For the FY 91 Budget, the Air National Guard has five units which are reduced in size. The 131 TFW at St Louis, MO, reduces to 18 F-4 aircraft from 24 in preparation to modernize to either the F-16 or F-15. The 122 TFW at Ft Wayne, IN, reduces to

18 F-4 aircraft from 24 in preparation to modernize to the F-16 aircraft. The 118 TAW at Nashville TN reduces to 8 C-130H from 16 C-130A aircraft as they are modernized to the C-130H. The 129 ARG reduces to 4 MH-60G helicopters from 5 HH-3 helicopters as is modernized to the MH-60G helicopter. The 106 ARG reduces to 3 HC-130P aircraft from 4 HC-130 aircraft as the refueling capability of the aircraft are upgraded.

The reductions to the ANG are part of the overall USAF and DOD force structure reductions to comply with internal budget limitations.

AFR Answer. One factor involves our fair share of fiscal cut-backs. Another is the fact of life cuts our associate flying unit personnel must face when the active duty associate aircraft are retired.

Question. Can you identify any missions that could be shifted from active to the reserve components?

ANG Answer. The ANG has been, and continues to be, an integral part of the Total Force. As such, we perform missions which enhance the overall readiness of the Air Force. The ANG stands ready at all times to meet any emergency from a small scale contingency to global war. This Total Force partnership is dependent on the realization that the ANG performs best when assigned those missions requiring reduced peacetime activity yet providing maximum wartime capability.

AFR Answer. This is a key question that the Force Mix Study Group is attempting to answer. Therefore, any answer that I would give at this time would be premature.

Question. Given the outstanding capabilities of reserve aviation units, would it be possible to transfer tactical aircraft from the active forces in order to increase the size of reserve squadrons to a full complement of 24 aircraft? Should we increase the size of reserve squadrons to a full complement of 24 aircraft? Should we increase the number of aircraft in order to achieve greater economies of scale?

ANG Answer. Yes, as resources get more constrained, we should try to ensure that our units have the most economical number of aircraft consistent with mission requirements.

AFR Answer. Yes, Air Force Reserve fighter units could be robusted to 24 aircraft. If more aircraft were to be assigned to the Reserve, economies of scale would dictate the robusting method rather than creating new units.

C-130 TRAINING SIMULATOR

Question. Last year, the National Guard Bureau decided to locate a new C-130 training simulator at Minneapolis-St. Paul International Airport. As I understand it, the decision was based on overall cost, the availability and quality of government quarters, transportation, and mess facilities, and the availability of vacant land for the eventual construction of the simulator building. Congress endorsed this decision in the FY90 Defense Appropriations bill. The Conference report for that bill stated: "C-130 Simulator Training Facility—The conferees agree with the National Guard Bureau

decision to establish the western region training center at Minneapolis-St. Paul, Minnesota." What is the status of this project?

ANG Answer. The C-130 Regional Training Center has moved beyond the planning stages. On 12 April 1990, the Aeronautical Systems Division, Wright-Patterson Air Force Base, Ohio, contracted for the tear-down and packing of a simulator located at Clark Air Force Base, Republic of the Philippines, to be moved to the 133 Tactical Airlift Wing (TAW) in Minneapolis, MN. The simulator will be transported via a NGB C-5A aircraft to arrive by July 1990. Contractual efforts to install the simulator locally and to activate the training program are also under way. As the new 133TAW facilities will not be ready until early 1994, the simulator may be temporarily located and operated at an off base, commercial facility. The simulator should be operational by the early 1991 and ANG specific curriculum developed and implemented by mid-91.

Question. Where is the simulator now located, and when will it be brought to Minneapolis?

ANG Answer. The simulator is currently located at Clark AB, RP. It will be ready for shipment not later than 17 June 1990. An NGB C-5A aircraft will then transport the simulator to Minneapolis, MN. The simulator should arrive in Minneapolis, MN, by the 1 July 1990.

Question. Have you completed the design for the simulator building? If not, why not?

ANG Answer. No. Design could not begin until 16 April 1990 due to a moratorium on new government construction projects. The project, scheduled for a fiscal year 1992 start, will be at 35 percent design completion by July 1990, 60 percent by October 1990 and 100 percent by the end of the calendar year.

Question. How much military construction funding will be required for the permanent simulator building? Has the Department asked for the necessary construction funds for FY91?

ANG Answer. The project will cost approximately \$3.0 million. Funding has not been requested for FY 1991; however, the project is included in the National Guard Bureau programs for the FY 1992 Program Objective Memorandum.

[CLERK'S NOTE.—End of questions submitted by Mr. Sabo.

Questions submitted by Mr. Livingston and the answers thereto follow:]

AIRLIFT

Question. General Killey, can you describe what problems the Guard is having in meeting its airlift requests?

ANG Answer. National Guard units participate annually in numerous exercises and deployments world-wide. Additionally, units desire deployments to enhanced training locations thus providing more realistic training during annual training encampments. The National Guard is fortunate to have ANG airlift resources which can facilitate such air movements, however, all the desired airlift movements cannot be supported by these limited assets. Any ANG airlift capability is a by-product of aircrew training. ANG flying hour programs are designed to maintain aircrew combat readiness

and reductions to ANG flying hour programs directly impacts internal ANG airlift capability.

Question. Can you provide some numbers for the record? I have been told in the past that some of the Guard branches can only fulfill 40 percent of their airlift requests.

ANG Answer. Enhanced training at deployed locations is a goal for all National Guard branches. We processed 9,861 validated airlift mission requests in FY 1989; of these requests 7,561 were supported for a fill rate of 77 percent.

Question. Is the C-130 a valuable asset in meeting these airlift needs, both logistical and mission?

ANG Answer. The C-130 is a very capable airlift asset which can operate both Intertheater and Intratheater. National Guard airlift mission requirements necessitate an airlift asset which can operate into small municipal airports. The C-130 fulfills this requirement splendidly. Historically, the ANG C-130 fleet has an in commission rate of 71.7 percent proving its reliability. For the type mission support required for National Guard airlift missions, the C-130 meets or exceeds all requirements.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston. Questions submitted for the record and the answers thereto follow:]

TOTAL FORCE POLICY

Question. Section 1101 of the National Defense Authorization Act, 1990 requested a total force mix study. What input have you had in this study?

NGB Answer. Major Generals Burdick and Killey, Directors of the Army and Air National Guard are members of the Total Force Policy Study Group. They have representation on the Study Group staff. I regularly discuss the progress of the Study Group with Generals Burdick and Killey and other DOD members of the Study Group. In addition, members of my joint staff work closely with the Study Group staff. This dialogue with and representation on the Study Group and staff greatly facilitates the consideration of the National Guard Bureau views in the development of this very important endeavor.

ANG Answer. As Director, Air National Guard, I sit as a member of the Total Force Policy Study Committee. I have provided a senior staff officer to serve as a full-time member of the SECDEF Total Force Policy Study Group, and have energized my staff to assist him as he works this issue. Additionally, I have provided the Study Group copies of the Air National Guard's 1990 Long Range Plan which contains criteria that may be used to test the suitability of proposed missions to the ANG force structure and organization. To this end, we have developed a checklist that formats the process within acceptable work with this committee.

AFR Answer. As a member of the Total Force Study Group, I direct inputs into this study. In addition, various members of my staff have been, and will continue to be, asked for inputs.

Question. A General Accounting Office (GAO) report entitled "DOD Guidance Needed on Assigning Roles to Reserves Under the

Total Force Policy" states that criteria used by the services in decision-making to be largely informal in nature and there were no clear established parameters for the use of the reserves. The report further states that decisions on the use of reserve components usually occur as by-products of the overall force structure decision-making under planning, programming, and budgeting processes in each service. Do you agree with this assessment?

NGB Answer. I partially concur. The Air Force has integrated the force mix determination process into its force development process which is the corporate Air Force Board Structure provides systematic, ongoing review of the Air Force's ability to meet both peacetime and wartime requirements with all forces available regardless of component (Active, Guard, Reserve). Accordingly, consensus on force structure policy options is reached between Active and Air Reserve Components in the corporate Air Force decision making process. Force mix decisions are dynamic and dependent on the force structure issue being addressed.

ANG Answer. Yes, I do. As you know, DOD has formed the Total Force Policy/Force Mix Study Group. I am a member of that Group and I have people assigned to the committee working groups. I believe this group will provide the formalized process and criteria in its report due to the Congress by 31 December 1990.

AFR Answer. I do not agree with some of the statements in the GAO report. There are clearly established parameters for the use of the Air Force Reserve. Our combat units are included alongside of active duty units in all war plans. Some of our units are tasked to deploy before active units.

Question. GAO recommended that force mix decisions should be made using criteria that addresses cost, force capability, training and recruiting requirements and personnel availability. General Killey, do you believe Air Force mix decisions are based on the above criteria?

ANG Answer. I believe these factors are considered in making force mix decisions along with many other factors which are dependent on the particular weapon system or mission area under consideration. For instance, the need for full time personnel in a particular mission area lends itself to an active duty force likewise, a part time force structure like we have in today's air reserve component can provide the USAF those capabilities which are required for force expansion in times of need (war and large contingencies). We, in DOD are making a concerted effort to better document our Force Mix criteria with a Total Force Policy/Force Mix Study Group. I am a member of that Group and have a member of my staff on a working committee of that Group. I believe that final report which is due to Congress from DOD on 31 December 1990 will better articulate our processes concerning Force Mix.

AFR Answer. Yes, I do. No one criteria can be considered in isolation, all are interdependent. The readiness of the total force today clearly reflects the degree of consideration each has been given.

SPECIAL OPERATIONS FORCES (SOF)

Question. The FY 1991 budget transfers the Special Operations Forces in the reserve components to a separate appropriation. Do you support the transfer of the Operation and Maintenance funds which support the reserve component Special Operations Forces to the special appropriation?

Do you retain control over your reserve forces?

How can you be sure that the funds will be transferred back to you in a timely manner? Or that some of the funds will not be held back to support any unforeseen contingency?

Of particular concern to the Committee is control of the technician force which support the Special Operations Forces. Since they are valuable full-time support assets of the reserve components, do you believe they should be under the control of SOF? Can the Special Operations Forces program adjust the number of technicians which support SOF? Can you assure the Committee that you do retain control over these personnel?

Are the number of SOF technician personnel contained in the total number which will be considered as a floor for the Air Force Reserve, the Air National Guard?

What needs to be done to make sure that technician personnel are not adversely affected because Special Operations Forces are included in separate appropriation accounts?

ANG Answer. The ANG supports the separate identification of funds for the ANG Special Operations Forces. Individuals employed under Title 32 USC are ANG assets by law and will be administered by the National Guard Bureau and the respective adjutant general of the state involved.

Yes, during non-mobilized operations. The NGB has a Memorandum of Agreement among the U.S. Special Operations Command (USSOCOM), HQ Military Airlift Command (HQ MAC), Electronics Security Command, and the Governor of the state of Pennsylvania which specifies the NGB retains operational control of all NGB SOF forces during non-mobilized operations.

OSD will have to serve as the adjudicator to ensure that the Special Operations O&M funds will be transferred back in a timely manner due to the new and increased layers of documentation approval/handling.

Individuals employed under Title 32 USC are ANG assets by law and should be administered by the National Guard Bureau and the respective adjutants general of the state involved. Special Operations Forces will be able to adjust numbers of technicians since they will be responsible for programming, budgeting and allocating resources starting in FY 1991. OSD will have to be the adjudicator on control issues between SOF and the Air National Guard.

Currently these SOF technicians are included in the floor established for FY 1990. However, the ANG SOF technician personnel are not included in ANG FY 1991 budget numbers which may be considered for the floor.

Short of reversing some of the intent of the Goldwater/Nichols Act, this is a new management concept and it is too early to determine if any problems will arise.

[CLERK'S NOTE.—The Air Force Reserve was unable to provide their responses in time to be printed in this hearing volume.]

DRUG INTERDICTION ACTIVITIES

Question. What specific drug interdiction actions have you performed so far this year, and please include planning functions as well as operational activities?

Do you get meaningful training out of your participation?

The FY 1991 budget transfers drug interdiction funds from the reserve appropriations to a separate appropriation. Do you have any reservations about budgeting for reserve component involvement in a separate appropriation?

Do you retain control over your funds and personnel?

How can you be sure that the funds will be transferred back to you in a timely manner? Or that some of the funds will not be held back to support any unforeseen contingency?

Active Guard Reserve (AGR) personnel doing State drug interdiction missions come on board as Active Duty for Special Work (ADSW) status. How are military technicians assigned to the drug interdiction mission? Could they also be used in the ADSW status?

ANG Answer. So far this year (as of April 24, 1990), 41 states have conducted 1,665 drug interdiction missions using 153,601 man-days. The results of support provided this year indicate we are being successful. The results are used to provide information to participating states and units on the "fruits of their labors".

There are 25 different types of missions that may be performed by the National Guard. These are either approved and funded or approved but not funded.

Planning for this year's activity actually began last year. States coordinate with supported law enforcement agencies and include requests in the plans submitted to the National Guard Bureau. Plans are then staffed and coordinated before final approval and funding by the Secretary of Defense.

Yes. Our guidance in the states is to assign missions to units and individuals whose military mission is similar to the support requested by the law enforcement agency. Feedback we have gotten indicates training is enhanced by our participation.

The National Guard also provides drug interdiction support as "incidental to training" whenever possible. This is in addition to support listed in State anti-drug plans.

The mission that provides the least meaningful training is the cargo inspection support provided to U.S. Customs Service. This mission does, however, provide more tangible results in law enforcement seizures and confiscations than any other drug interdiction mission.

Drug interdiction funds have been transferred to National Guard appropriations for the past two years. Although we prefer to have all operation and maintenance, as well as military personnel, funds in the individual Army and Air National Guard accounts, we will work with whatever procedures are set up.

We are concerned about loss of control in both areas. Obviously, the National Guard loses funding control when funds are no longer

a part of the National Guard appropriation. Also, the organization controlling the money eventually perceives a requirement to control the people "their" appropriation pays. The 1990 Defense Authorization Act directs that the Secretary of Defense will approve state anti-drug plans. In that regard, the Secretary of Defense retains control of appropriated funds; the National Guard Bureau role is to review plans submitted by the states, make recommendations to the Office of the Secretary of Defense, and pass funding approved by the Defense Secretary to states for execution.

Funds provided for drug interdiction activity are "fenced" from other than normal National Guard funding; they are either justified and expended or are automatically withdrawn at the end of the fiscal year, thus precluding any holdback.

In fiscal year 1989, the transfers were slow and clearly affected execution. Since we will not control the funds, they could be held back.

Individuals may perform CONUS drug interdiction duties in a technician status provided their specialty is related to those duties. Otherwise, when technicians perform drug interdiction duties they will enter ADSW status, exhausting first their law enforcement leave and then election of either annual leave, compensatory time, leave without pay or unused military leave. Technicians performing these duties outside CONUS must be in a Title 10, USC status.

AFR Answer. So far in FY 1990, we have performed one operational counter-narcotics mission in support of the US Coast Guard. This occurred on 14 February, and employed the use of one HC-130 and one HH-3 helicopter. We have initiated an aggressive program to educate those agencies charged with this responsibility as to our capabilities and offer our services whenever requested. To date this program has included visits to US Army FORSCOM, JTF-6, EL Paso Intelligence Center, NORAD, JTF-4, and Miami Coast Guard.

Yes. We have directed our units to support counter-narcotics activities to the fullest, and to develop mission support profiles that are complementary with wartime training objectives whenever possible. We are currently defining a concept of operations that will state our capabilities and relationships with civilian law enforcement agencies and the recently created counter-narcotics joint military task forces.

Question. Air Force Reserve Air Reserve Technicians (ARTs) may perform this role in Active Duty for Training (ADT) status or Active Duty Support (ADS) status using either Reserve Personnel Appropriation (RPA) mandays or Military Personnel Appropriation (MPA) mandays.

Staff visited two states to review operations of the National Guard. The Guardsmen were proud of their mission and were doing their utmost to serve, even volunteering free time. While visiting units doing cargo searches, a comment was made that they did not have sufficient uniforms, crowbars, hammers, and the like. The units doing support to law enforcement agencies started a shortfall in other smaller items, i.e., computers. Some guardsmen even bought beepers out of their own pockets to be re-

sponsive. Helicopters doing flyovers to spot marijuana fields do not contain the LORAN navigation system to pinpoint the fields.

The Committee understands that the States have been concentrating on their overall missions and could not foresee every possibility.

General Conaway, what guidance do you provide to the States to determine what is or isn't included in their drug interdiction mission?

NGB Answer. We follow the language contained in the FY 1990/91 Defense Authorization Act, Public Law 101-189, in providing guidance to the states. In general, our instructions are to do everything legally possible to support law enforcement agency requests, except that, through policy guidance, we have precluded the use of National Guard personnel to make arrests or conduct seizures under this program. This latter restriction has been applied to protect the safety of the public and Guardsmen and the validity of arrests and evidence arising from National Guard participation in the drug interdiction program.

We have provided National Guard Bureau policy guidance through all states letters which have been updated to reflect changes in the law from FY 1989 to FY 1990.

Additionally, we have conducted planning conferences where we provided guidance to state representatives to include all requirements to support law enforcement agency requests in their state anti-drug support plans.

Question. Would you include in that guidance that the States should consider budgeting for the smaller, unforeseen items in future budgets? How much additional funds would be required in FY 1991?

NGB Answer. The states presently have authority to purchase items with a value less than \$15,000. That information was passed to them through National Guard Bureau guidance contained in an all states message in December 1989.

Additionally, a matrix for drug interdiction equipment and procurement approval authority was distributed at the March 1990 annual planning conference. States' representatives were also advised to submit anti-drug equipment requirements as an attachment to 1991 State Anti-Drug Plan as per the matrix.

Our projected equipment requirements identified in the President's Budget Estimate amounted to \$5 million for FY 1991. We have additionally compiled subsequent equipment requirement lists for the out years in excess of \$57 million; the list may be greater when the FY 1991 plans are received from the states. State plans are due to the National Guard Bureau by July 1, 1990.

Question. Also, General Conaway, what guidance do you provide to the states as to how they can utilize their personnel in drug interdiction missions?

NGB Answer. In accordance with congressional requirements, the states have been given specific guidance on the use of National Guard personnel in the drug interdiction mission. Individuals will be in Title 32, USC status under control of the governors and their designated officials.

Question. Provide for the record a breakout of how the \$70 million for operations and \$40 million for equipment appropriated in FY 90 has been expended or is planned to be expended.

NGB Answer: The \$70 million has been allocated to support state plans. The proposed operations in the states' plans would have required more than \$83 million in funding. That is the reason some operations were approved and funded while others were approved but not funded. Funding was prioritized to maximize program effectiveness.

The \$40 million for equipment is centrally managed from the National Guard Bureau to take advantage of possible savings through national procurement. It also ensures equipment will be the same in all states thus permitting greater inter-operability and movement as may be required by the anti-drug program.

The equipment procurement program was developed from equipment requirements contained in state plans. Additionally, the Defense Authorization Act specified the type of equipment that could be purchased during drug interdiction appropriations. We followed that guidance in developing the list of equipment to be purchased using the appropriation authorized.

States still have the authority to purchase smaller items (less than \$15,000 value) if such equipment is to be used for the counter-drug program.

Question. Also provide for the record a breakout by state of what was requested, approved, and estimated to be expended for drug interdiction missions in FY 1990, provide the amounts requested by each state and how much was approved by DOD.

NGB Answer. States requested mandays and flying hours in their plans. The National Guard Bureau used standardized cost data to calculate the amounts required to support the states' plans. The total amount (\$83,762,777) is what the Bureau recommended to OSD to be funded to support all planned operations. Congress authorized \$70 million for National Guard counter-drug operations.

The Office of the Secretary of Defense provided initial authorizations for the states' plans. Some operations were approved and funded while others were approved but not funded, as stated earlier. This was done to accommodate the \$70 million authorized by Congress.

We expect the states to obligate 100 per cent of their FY 90 authorizations. We are in the process of conducting a mid-year review of actual and projected expenditures and will make redistribution of funds as required.

OPERATION AND MAINTENANCE

Question. General Scheer, the Air Force Reserve fiscal year 1991 Operation and Maintenance request is \$1 billion, which reflects significant program reductions, i.e., 24 primary authorized aircraft, 4,920 flying hours and 511 civilian end strength. What impact do these reductions have on your mission? Provide details on these changes for the record.

AFR Answer. This "loss" is due primarily to transferring resources from the Air Force Reserve to Special Operations Command under the newly created Major Force Program (MFP) 11. Details of aircraft, flying hour, and manpower reductions follows:

Mission area	PAA	Flying hours	Manpower
Two F-4 to F-16 fighter conversions	-6	+812	-115
Special Operations Forces transfer to USSOCOM	-14	-5,009	-359
C-130 conversion to C-141 and transfer of four aircraft to backup inventory	-8	-1,262	-166
A-10 rotational flying hour decrease	0	-1,080	0
Transfer of Aerospace Rescue & Recovery aircraft to backup inventory status	-3	-268	-15
First increment of new C-141 unit equipped	+3	+361	+211
Annualization of KC-135 expansion	0	+1,126	+3
Transfer of WC-130 mission to the Air Force Reserve	+4	+400	-89
All other	0	0	+19

If we can consummate a memorandum of understanding (MOU) with the new Air Force Special Operations Command (AFSOC) that will allow us the same peacetime command and visibility of budget execution and authority, as our other gaining commands, then any adverse impacts of the transfer may be minimized.

The FY 1991 loss other than the Special Operations transfer involves the four units listed below that have been reduced and then restored in the last three years. This has been a destabilizing influence on the unit members.

Unit	PAA	Manpower
731 TAC Airlift Sqdn (C-130B)—(Peterson Field, CO)	-4	-151
711 Spec Ops Sqdn (AC-130A)—(Duke Field, FL)	-1	-87
301 Air Recov and Rescue Sqdn (HH-3E)—(Homestead AFB, FL)	-1	-19
304 Air Recov and Rescue Sqdn (HC-130H)—(Portland IAP, OR)	-1	-47

Question. Your budget reflects a reduction of five C-141 associate aircraft due to plans for conversion to the C-17 aircraft. The C-17 procurement schedule appears to have been delayed? If so, what is the funding impact of restoring these five aircraft in FY 1991?

AFR Answer. The programmed reduction of C-141 associate aircraft has been delayed and readjusted to coincide with the revised C-17 procurement schedule. Therefore, the Air Force Reserve requires \$3.8 million to fully operate the C-141 associate unit during FY 1991.

Question. Do government employees, who are members of the reserve component, suffer any financial penalty as a result of volunteering for a period of active duty while in "leave of absence" status from their civilian position?

AFR Answer. Yes. The penalty suffered is the inability to maximize retirement entitlements by participating in the Thrift Savings Plan (TSP) while on a military tour of duty. Once the individual leaves civil service, all FERS stops.

Specifically, the Federal Employees' Retirement Systems (FERS) Act of 1986 (Public Law 99-355, June 6, 1986), subsequent technical amendments to same (Public Law 100-238, January 8, 1988), and governing rules and regulations published by the Federal Retirement

ment Thrift Investment Board (FRTIB) do not provide authority for civilian employees who leave their position to perform military service to continue their participation in the TSP on a tax-deferred basis during said military tour. Therefore, government matching up to 5% is not available. The individual can contribute up to 10% to the TSP. Once he returns there is an automatic requirement to buy back years of service based on 3% of the military pay. There is no provision to waive the FERS law if the individual is involuntarily mobilized.

This has a negative impact on the Air Force Reserve in terms of our ability, or lack thereof to entice employees to accept military tours for career development purposes or because of mission needs. More importantly, it will become a highly visible issue if, and when a call-up or mobilization of the reserve forces is directed.

This situation will only get worse as time evolves and as more and more of the Federal work force is covered by FERS. In addition, aside from denying Federal employees an opportunity to maximize their total retirement income as a consequence of performing military duty, continuation of the policy is considered a detriment to the future recruitment of employees, especially Air Reserve Technicians.

Question. What are your high priority unfunded O&M requirements?

AFR Answer. Following are high priority unfinanced Operation and Maintenance, Air Force Reserve FY 1991 requirements.

	<i>Millions</i>
Fiscal year 1991 civilian pay raise (3.0 to 3.5%)	1.4
Fiscal year 1990 health benefits increase	3.4
Special salary rate for pilots	2.0
Real property maintenance backlog	6.1
C-17 slippage, restore 5 C-141 (A)	3.8
F-16 conversion delay at Carswell	1.7
MAC associate rate change	1.0
Deferred depot maintenance requirements	2.4
Base operation support funding	.3
Total	22.1

Question. General Killey, the Air National Guard fiscal year 1991 Operation and Maintenance request is \$2.2 billion, which is 2.1 percent real growth over fiscal year 1990. It appears that only the National Guard components show real growth, even after funding SOF and drug interdiction are transferred to separate appropriations. What are the reasons for the growth in Operation and Maintenance, Air National Guard?

ANG Answer. The O&M growth of \$153.9 million from FY 1990 to FY 1991 consists of \$124 million in price growth and \$29.9 million for program growth. The largest portion of that program growth, \$26.5 million, is for aircraft depot maintenance and aircraft simulator maintenance and training. The growth in depot maintenance is primarily due to the increased number of KC-135E aircraft that require periodic depot maintenance and for start-up of the KC-135E rewire effort. In addition, depot maintenance costs are increasing as newer aircraft enter the inventory to replace older aircraft which were phasing out and thus subject to down-scoped depot maintenance requirements.

Question. What are your high priority unfunded O&M requirements?

ANG Answer. Air National Guard high priority unfunded O&M requirements are the support of ten additional KC-135 aircraft for \$7.4 million; March Air Force Base, California unit conversion to RF-4Cs for \$8.7 million; and restoral of Congressional FY 1990 force structure restorals for \$18.9 million.

Question. For the record, would each of you provide a breakout of how you utilized the excess funds transferred from the Defense Stock Fund via section 9060 of the Defense Appropriation Act, 1990.

AFR Answer.

	<i>Millions</i>
FY 90 pay raise absorption	\$4.6
Civilian health benefits increase	2.6
Civilian workyears factor adjustment	3.7
Special rate for technician pilots	2.0
Fuel consumption factor change	6.8
Backlog of maintenance and repair	2.7
MAC associate flying hour rate change	1.5
Travel	5.1
Supplies/equipment	1.0
Total	30.0

EQUIPMENT

Question. The Committee notices that the reserve components have requested funds in the dedicated reserve/guard equipment account for the first time. Do you believe that this is a good idea?

ANG Answer. We believe that it is a good idea to give visibility to some high priority requirements that are not included in the active Air Force current budget funding. The type of items included in the dedicated Reserve/Guard Equipment account are line item controllable and will provide the capabilities in a more timely manner than had been previously programmed. It does, however, tend to decrease the emphasis on Total Force and could negatively impact the programming for Reserve Forces in the normal programming activities.

AFR Answer. The initiative to formalize the process by which the Reserve Components identify critical needs came from OSD. The initiative gives visibility to those needs, and as long as these needs are prioritized along with all other Air Force requirements, we see this as a positive program.

Question. Do you feel that your component receives its fair share of the active component equipment commensurate with the deployability of the unit?

ANG Answer. In most cases we do receive our fair share of the program for equipment. In some cases, it is in a later time frame than the active components receive the equipment, usually because the active units are equipped earlier with new equipment. Because of budget constraints, funding for Guard modifications and equipment procurements (such as we have seen for electronic countermeasures pods) often have been delayed into the outyears.

AFR Answer. The Air Force has been conscientious and equitable in its distribution of resources. The readiness levels of our units already reflect this fact.

Question. General Scheer, the Air Force Reserve requested \$45.6 million in the dedicated procurement account and the P1-R shows that the Air Force is proposing \$105.6 million for the Air Force Reserve. What percentage of the shortfall will this alleviate?

AFR Answer. The Air Force Reserve "Short On-Hand vs. War-time Requirement," as reported by the Reserve Forces Policy Board, was \$305 million at the beginning of FY 1990. The FY 1990 P1-R was reported as \$177.9 million. However, estimating that the shortage at the end of FY 1990 will still approximate \$300 million; then the proposed FY 1991 P1-R procurement of \$105.6 million, of which only \$21 million is marked for "equipment," will alleviate approximately 15% of the shortfall. The shortfall estimate is really a snapshot of a point in time and reflects many variables such as: additions in authorized equipment requirements, changes in Tables of Allowances, redistributions of equipment between units, or receipt of prior year procurement deliveries.

Overall, we are satisfied that the vast majority of our equipment requirements are being met within the Air Force framework in an equitable and timely manner.

Question. What is the status of the \$151,000,000 appropriated in the Aircraft Procurement, Air Force, to procure MH-60G helicopters for the Air Force Reserve?

AFR Answer. To our knowledge two issues have yet to be resolved.

1. Appropriated not authorized—8 aircraft were authorized, 16 appropriated.

2. The \$151,000,000 was included in the OSD deferment initiative.

Question. General Scheer, what are the Air Force Reserve high priority unfunded procurement items?

AFR Answer. Replacement of the Air Force Reserve helicopter (HH-3E and HH-1) fleet with a safe weapon system capable of meeting current and anticipated taskings.

Replacement or modernization of the AC-130A Gunship aircraft. The current aircraft is not capable of meeting current tasking and has only a few years of useful life remaining.

Replacement of the C-130B fleet. Weapon system age and supportability considerations limit capability. Continued operation will significantly increase maintenance and modification funding.

Aircraft defensive systems and computer aided training programs for air and ground personnel are likewise high priority needs.

Question. General Killey, the Air National Guard requested \$130.3 million in the dedicated procurement account and the P-1R shows that the Air Force is proposing \$317.6 million for the Air National Guard use. What percentage of the shortfall will this alleviate?

ANG Answer. The Air Force Total Force policy is to equip active duty and reserve component forces with compatible capability. From the spares standpoint, it is specifically noted that fund in FY 1991 is not included in requesting funding for the Active or Reserve components due to the establishment of a stock fund for these non-expendable items. FY 1991 funding for procurement of new WRSK/BLSS kits meets 43 percent of the requirement and is pro-

vided via direct appropriation from within the Air Force Stock Fund. Modification programs, many times, are funded in a later fiscal year for the reserve components and are not applicable to a percentage of requirements portrayal and therefore are excluded from this analysis. Of the \$130.3 million in the dedicated procurement account, \$2.8 million goes toward a reduction of the shortfall in Aircraft and Missile Support Equipment and the Other Procurement areas. \$176.7 million of the \$317.6 million in the P-1R for Air National Guard applies to the reduction of shortages in these areas. In the Aircraft and Missile Support Equipment and the Other Procurement account the funds in FY 1991 will satisfy approximately two-thirds of the Air National Guard's total requirement in these areas.

Question. General Killey, what are the Air National Guard high priority unfunded procurement items?

ANG Answer. The Air National Guard priority is to provide a continued phased improvement approach to ANG aircraft which ensures reliability, maintainability, supportability, and combat effectiveness against the current and projected threat. The unfunded procurement priorities for fighter aircraft within the scope of this approach are the Multi-Staged Improvement Program modification to all ANG F-15s; modernization, to include survivability and avionics upgrades to all ANG F-16s; F-16 support equipment; and the retrofit of all ANG F100 engines to the 220E configuration. Air National Guard unfunded requirements for airlift are additional C-130 aircraft; and Self-Contained Navigation System (SCNS) and Enhanced Station Keeping Equipment (ESKE) modifications for ANG C-130s.

[CLERK'S NOTE.—End of questions submitted for the record.]

WEDNESDAY, APRIL 4, 1990.

NAVAL RESERVE AND MARINE CORPS RESERVE

WITNESSES

REAR ADM. JAMES E. TAYLOR, USN, DIRECTOR OF NAVAL RESERVE
MAJ. GEN. EDMUND P. LOONEY, USMC, DEPUTY CHIEF OF STAFF, MAN-
POWER AND RESERVE AFFAIRS FOR RESERVE AFFAIRS

INTRODUCTION

Mr. AuCoin. Our next witnesses are Rear Admiral James E. Taylor, U.S. Navy Director of Navy Reserve, and Major General Edmond Looney, U.S. Marine Corps, Deputy Chief of Staff for Manpower and Reserve Affairs.

Gentlemen, we want to welcome you today. Your prepared statements and Admiral Taylor's biographical sketch will be inserted in the record. We would like you to summarize your statements.

Admiral Taylor, we will start with you.

SUMMARY STATEMENT OF THE DIRECTOR OF NAVAL RESERVE

Admiral TAYLOR. It is a pleasure to be with you this afternoon. I would like to start off by thanking you for your continued support of the Naval Reserve. Since I assumed command of the Naval Reserve Force in August 1989, much has happened in the world. The 1990s have begun in a dramatic fashion. I know we are all hopeful that the changes in the Soviet Union and Eastern Europe will ease the tensions that have too long divided the world.

It is not my intent to analyze what these changes mean. No doubt, they will have some impact on the role that we play in national defense. I hope my comments today will give you a better understanding of where we are in the Naval Reserve and how we fit into the Navy as an element of the total force.

I really would like to start with a small commercial. 1990 marks the 75th anniversary of the Naval Reserve. We in today's Navy are reflecting with great pride on the many achievements of our people. Today in our force, there are approximately 153,000 Selected Reservists. That is both drilling reservists and full time support personnel, and is representative of the significant gains that the Naval Reserve has made over the past decade.

These gains have been achieved at no small investment of dollars and effort. I believe the results speak for themselves. Today, the Naval Reserve is a far better trained and equipped force than it has ever been.

Should you ask me to describe the force with a single word, that word would be "quality." This quality is measurable in terms of our people, training, facilities and equipment and especially our readiness to mobilize. These advances are largely the result of the

commitment, vision and support of Congress, the leadership of many Navy and DOD officials and the hard work and dedication of those who have served in the Naval Reserve in the past decade.

I would also add that while the size and shape of our force in the future will be governed by an assessment of Total Force requirements, I am confident a commitment to Preserve or even improve this quality will be evident.

A changing world environment will not obviate the need for an adaptive competent Navy. We remain a maritime nation. If recent history is any indicator, we can expect to continue to face challenges that the Navy is best prepared to meet.

That completes my prepared statement, sir.

[The statement of Admiral Taylor follows:]

NOT FOR PUBLICATION UNTIL RELEASE BY
THE HOUSE APPROPRIATIONS COMMITTEE

STATEMENT OF
REAR ADMIRAL JAMES E. TAYLOR, U.S. NAVY
DIRECTOR OF NAVAL RESERVE
COMMANDER NAVAL RESERVE FORCE
BEFORE THE
SUBCOMMITTEE ON DEFENSE
OF THE
HOUSE APPROPRIATIONS COMMITTEE
ON
THE GUARD AND RESERVE
4 April 1990

NOT FOR PUBLICATION UNTIL RELEASE BY
THE HOUSE APPROPRIATIONS COMMITTEE



Rear Admiral

James E. Taylor, USN

***Chief of Naval Reserve
Director, Naval Reserve and
Commander, Naval Reserve Force***

Chronology of key former assignments:

- Director, Politico-Military Policy and Current Plans Div., Office of The Chief of Naval Operations (CNO)
- Commander, Fighter Medium Attack Airborne Early Warning Wings, Atlantic
- Director, Total Force Programming/Manpower Div. (Office of CNO)
- Executive Asst. for the Director, Navy Program Planning (Office of CNO)
- Commanding Officer, Naval Air Station, Miramar, California
- Aviation Special Asst. for the Director Navy Program Planning (Office of CNO)
- Commanding Officer, Fighter Squadron 11
- Staff Officer, Commander, Seventh Fleet Detachment "C" Saigon, Vietnam

Rear Admiral James E. Taylor, USN, became Chief of Naval Reserve; Director, Naval Reserve; and Commander, Naval Reserve Force on August 19, 1989.

A native of Alabama, RADM Taylor entered the Navy through the Naval Aviation Cadet Program, earning his aviator's wings and commission as an Ensign in 1957 at Corpus Christi, Texas.

RADM Taylor earned his Bachelor of Science Degree from the Naval Postgraduate School in Monterey, California, and a Master's degree in Financial Management from George Washington University, Washington, D.C.

RADM Taylor brings to the Naval Reserve a leadership style and focus developed through combat, fleet and staff assignments around the world. Among his varied assignments, he has commanded several aviation units including Fighter Squadron Eleven and Naval Air Station Miramar, California, and has served numerous tours in the Office of the Chief of Naval Operations.

During his career, RADM Taylor has been awarded the Legion of Merit, Air Medal, Navy Commendation Medal, numerous unit awards for excellence, and awards from foreign nations -- earned as a result of service in Southeast Asia.

RADM Taylor is married to the former Amanda Nottingham Dillon, of Ashland, Virginia.

Mr. Chairman and members of the committee:

I am pleased to have this opportunity to appear before your committee.

Since I assumed command of the Naval Reserve Force in August 1989, much has happened -- both in the world and in the U.S. Navy. The 1990s have begun in a dramatic fashion and I know we are all hopeful the changes in the Soviet Union and Eastern Europe will ease the tensions that too long have divided the world.

While it is not my intent to analyze what these changes may mean, no doubt they will have an impact on the role we play in the national defense. I hope my comments will give you a better understanding of where we are in the Naval Reserve today, how we fit into the Navy as an element of the Total Force and what our plans are for the future. I also hope that you will find my thoughts helpful on what I see as the strengths of our program, and some of the problems that may lie ahead.

Let me begin with a small commercial. 1990 marks the 75th anniversary of the Naval Reserve and we in today's Navy, along with those who previously served, are reflecting with pride on the many achievements of our people. Few could have envisioned, in March of 1915, how that fledgling force would evolve.

But evolve it has. Today our force of about 153,000 Selected Reservists -- drilling reservists and full-time support personnel -- is a vastly different force than the one we had as recently as the Vietnam era.

Problems that plagued us in the recent past are no longer present. For example, in 1968, when six Naval Air Reserve squadrons were recalled to active duty in response to the seizure of the USS PUEBLO, not one of those squadrons deployed or left the United States. The reason: their aircraft were incompatible with fleet carriers and the squadrons were 47 percent undermanned.

We would all call that unthinkable today, and truly there has been a dramatic change in the readiness of our Reserve Force.

Indeed, I am proud to tell you that the Naval Reserve today is a far better trained and equipped force than it has ever been in its 75 years. The Naval Reserve today is part of a highly motivated and skilled military force. It is filled with individuals who are anxious to perform early deploying missions that would have been unthinkable for Reserve Forces only a few years ago.

As we all know, there was a time -- not too long ago -- when the Navy was far less technical than it is today. In those days, if the Naval Reserve could supply an able-bodied seaman, it had given the Navy all it wanted.

Today's Navy demands a Naval Reserve with many technical specialists. To be sure, there will always be a need for some of those able-bodied seamen in any mobilization recall, but they alone will not keep an F-14 Tomcat flying or a frigate steaming in a carrier task force.

We are, therefore, no longer a mere manpower pool. And while many reservists were extremely talented individuals in the past, their training was not as intense or as critical as what we give our reservists today. In that not-too-distant past our people often were shunted into classrooms and given boring (and

admittedly outdated) lectures by instructors who knew little of the demands of an increasingly sophisticated fleet.

One of my top goals, one I announced long before the changes in Europe were apparent, is to increase our support to the fleet. I directed that, whenever possible, training should be focused toward helping the fleet accomplish its missions. That goal is, no doubt, more important today, given the fiscal constraints that lie ahead.

Before I discuss what I see ahead, please allow me to say that we in the Navy owe you in the Congress a special debt of gratitude for all you've done to make certain that our Reserve Force has become so responsive. Thanks to your support, the leadership of many Navy and DOD officials and the hard work and dedication of those who have served in the Naval Reserve in the past decade, I can report to you today that we are at the highest state of personnel and material readiness in our history.

Not only has our equipment improved, our Reserve missions have become more professionally enhancing and operationally related. More and more of our reservists are training alongside their active duty counterparts, receiving "hands on" training on the latest Navy equipment. And, when needed, our reservists have responded; from the Persian Gulf to the Alaskan oil spill, we have been ready, willing and able.

Benefits such as the Montgomery G.I. Bill and added commissary privileges are contributing to excellent morale. It's fair to say that our reservists have never been more highly motivated, or, in a word, happier.

As a follow-up to the FY-90 Authorization Bill, we look forward to the results of a two-year test of the unit incentive pay for those reservists who serve under arduous conditions aboard Naval Reserve Force ships. We believe that this relatively inexpensive benefit will produce in increased retention of sea-going ratings that are essential to meeting one of our top missions.

We are also pleased that action taken in the previous session of Congress permits us to revise the composition of our Reserve flag officer population to include our first Nurse Corps and Medical Service Corps flags. These two officers will do much to improve the professionalism of two vital Reserve medical programs. The selection of a Nurse Corps flag officer will underscore our commitment to those career fields which include large numbers of women. On that point, I want to assure you that the Naval Reserve is committed to full participation by women in the considerable number of programs for which they are eligible. Women may -- and do -- serve in command billets within the Naval Reserve and in the numerous noncombat support units that we have.

In my first seven months as Chief of Naval Reserve I've learned that the Naval Reserve has been doing many things extremely well over the years. It has been highly responsive, effective and adaptive.

Perhaps the key word here is adaptive. Whatever the needs of the Navy and the Nation have been, the Naval Reserve has been a willing partner.

The FY-91 budget calls for an end-strength of 149,700 Selected Reservists, a slight decrease from FY-90. Concurrently, we will have a net gain of 5 additional ships in the Naval Reserve Force. Even with the attendant authorization for additional personnel to accommodate the new ship requirements, the final end strength is 3,700 less than FY-90 due to infrastructure adjustments.

Speaking of ships, this has been an area of intense discussion, much of which surrounds the possible transfer of additional ships into the Naval Reserve. When all else is resolved, there is one basic and inescapable difference between a ship in the active component and one in the Reserve. We man active ships by moving personnel to the ship. In the Reserve, we move the ships to the personnel. On active duty, we can tell a

sailor where he and his family will live, and on which ship he will serve, and for how long.

But inactive reservists are, after all, civilians and part-time sailors who are not ordered to different geographic locations to meet the needs of the service. So, while we might be able to locate well trained sonar technicians and operations specialists within the civilian community, they might not live in the geographic area where we need them -- near the homeports of our Reserve ships.

Reservists may live in Boise, Idaho; Wheeling, West Virginia; or Fargo, North Dakota. All are extremely fine towns and, even though the quality of our training at inland Reserve centers has improved significantly, some training can only be accomplished on board ship.

This issue of location also represents a significant difference between the Naval Reserve and the other Reserve components. Other components can generally locate their Reserve activities near Reserve populations and provide training for Reservists near their homes. Almost by definition, NRF ship expansion is limited by the availability of Naval Reservists within a reasonable distance of our Navy ports.

I point that out, not to be negative, but to give you some insight as to how difficult it is to effectively and realistically forecast the success of growth initiatives such as an increase in NRF ships. It is, in some ways, more difficult than planning for the growth of the Active Force.

That said, I want to assure you that there are many missions which we in the Naval Reserve have performed exceptionally well. For example, fully 100 percent of the Navy's search and rescue helicopter services, CONUS based heavy airlift, and mobile inshore undersea warfare capability is in the Naval Reserve. We have a corps of well trained reservists, ready to respond at a moment's notice, to provide protective defenses for harbors around the world. These are real and meaningful missions that reservists are trained and prepared to accomplish.

Reservists can provide the back-up medical forces that would be needed in time of conflict. We also provide special forces support and Reserve construction battalions (Seabees) who can back-up Active Duty Forces. We have the resources and ability to augment Navy ships and aircraft squadrons around the world to quickly reach full manning levels.

Our efforts in the area of antisubmarine warfare remain a high priority in the Naval Reserve, and will be strengthened by the additional frigates that have been ordered into our force. We will also continue our strong support of the drug detection and monitoring mission through drug surveillance flights. The number of first quarter, FY-90 flight hours devoted to drug detection so far this year has doubled when compared with the same quarter in FY-89. In support of drug detection and monitoring, Naval Reserve Force ships steamed almost one and one-half times the number of steaming days in the same quarter last fiscal year. This is an important national priority and the Naval Reserve is committed to do its part.

Where do we go from here? First and foremost, I want to assure you that the Naval Reserve is a full participant in the Total Force Policy Study which will be sent to Congress later, this year. Secretary Cheney has described his commitment to a strong Reserve Force and that commitment is shared by the Navy.

The key for the Navy, as Admiral Trost said recently in his posture statement, is that we strike "the proper balance" between active and reserve forces.

Our Reserve Force has become an integral part of our national strategy and I strongly believe that we must not lose the gains that have been made in developing a true Total Force. I also want to emphasize that I feel very fortunate to be heading the Naval Reserve component at this most exciting -- and challenging -- time. It's a time when we face some of the most difficult decisions that the Navy has faced in the post World War II period and I'm honored to be a member of the team that is helping make those decisions.

I have "inherited" an outstanding force to help me. The primary challenge for our program, as I see it, is to maintain a steady course for the immediate future and adapt to budget and world changes while continuing to build on our proven successes.

We in the Naval Reserve don't make force mix determinations, or unilaterally plan the future of the Naval Reserve. We're part of the "One Navy" team and we participate in the Navy planning process. Whatever the result, you can be assured that it will reflect the best judgment of the Navy.

The changing world environment will certainly not alter the need for an adaptive, competent Navy. We remain a maritime nation and, if recent history is any indicator, we can expect to continue to face challenges that the Navy is best prepared to answer.

Thank you for the opportunity to meet with you. I'll be most happy to respond to any questions that you may have.

Mr. AuCOIN. Thank you, Admiral Taylor.
General Looney.

SUMMARY STATEMENT OF THE DCS/MANPOWER AND RESERVE
AFFAIRS

General LOONEY. Thank you, Mr. Chairman.

Good afternoon to you and the distinguished Members of the subcommittee. It is indeed a pleasure to appear before you on behalf of the Marine Corps and the Marine Corps Reserves. I have submitted a prepared statement. I request it be submitted in the record, if you might, Mr. Chairman.

The Marine Corps Reserve with this committee's support has continued to improve its status as a member of the Marine Corps total force. As you are well aware, the key to the success of any organization is quality manpower; smart, well cared for and equipped, and most importantly, well led Marines have been our hallmark.

This committee has assisted in the past to meet our hallmark, and we look forward to its continued support and seek approval of our fiscal year 1991 budget request. I assure the committee that the Marine Corps intends to preserve quality in our reserve force consistent with fiscal reality.

This concludes my opening statement, Mr. Chairman. I will be happy to answer any questions and provide any additional information you may require.

[The statement of General Looney follows:]

NOT FOR PUBLICATION UNTIL RELEASED BY
THE COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

STATEMENT OF
MAJOR GENERAL E. P. LOONEY, JR.
UNITED STATES MARINE CORPS
ASSISTANT DEPUTY CHIEF OF STAFF
MANPOWER AND RESERVE AFFAIRS,
FOR RESERVE AFFAIRS
BEFORE THE
SUBCOMMITTEE ON DEFENSE
OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES
ON
GUARD AND RESERVE
4 APRIL 1990

NOT FOR PUBLICATION UNTIL RELEASED BY
THE COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

MAJOR GENERAL EDMUND P. LOONEY JR., USMC

Major General Edmund P. Looney Jr., is the Assistant Deputy Chief of Staff for Manpower and Reserve Affairs, for Reserve Affairs, Headquarters Marine Corps, Washington, D.C.

Born in Brooklyn, New York on September 30, 1934, General Looney graduated from Brooklyn's St. John's Preparatory School in 1952 and subsequently earned a bachelor's degree from the St. John's University School of Commerce in 1956. While attending college, he joined the Marine Platoon Leaders Class in December 1952, and was commissioned a second lieutenant in June 1956. He earned a master's degree in Human Resource Management from Pepperdine University in 1977.

After completing the officers' basic course in March 1957, he transferred to the 3d Marine Division in Japan, where he served for a year as a rifle platoon commander and battalion staff officer in the 2d Battalion, 3d Marines. In 1958, he was released from active duty, but participated in the activities of a reserve unit at Garden City, N.Y. Returning to active duty in 1960, he became the commanding officer of a rifle company in the 2d Battalion, 2d Marine Regiment, 2d Marine Division, Camp Lejeune, N.C. He was promoted to captain in October 1961.

Subsequent assignments include duty as the 2d Marine Division logistical operations officer, June 1962-July 1963; 2d Marine Aircraft Wing logistical operations officer, July 1963-March 1965; advisor to a Vietnamese infantry battalion, March 1965-April 1966; logistics program officer at Headquarters Marine Corps, April 1966-July 1970; a variety of assignments with the 1st Marine Division in Vietnam, July 1970-July 1971; operations officer on the staff of the Commander, Strike Force South at Naples, Italy, February 1972-1975; new ships construction officer, Headquarters Marine Corps, January 1975-August 1977; duty with the 1st Marine Division from July 1978-June 1980, serving first as deputy chief of staff, G-3, and later as assistant chief of staff, G-4; and Commanding Officer of the 31st Marine Amphibious Unit in the Western Pacific and Indian Ocean, from June 1980-June 1981. He was promoted to major in August 1966, to lieutenant colonel in April 1973 and to colonel in November 1978.

During July 1981, he was assigned as plans officer, G-3, 1st Marine Amphibious Force at Camp Pendleton, Calif. While serving in this capacity, he was selected for promotion to brigadier general. He was advanced to that grade on July 2, 1982 and assumed command of the Marine Corps Logistics Base, Barstow, Calif., in July 1982. On June 6, 1984, he was assigned duty as the Commanding General, 6th Marine Amphibious Brigade, FMF, Atlantic, Camp Lejeune, North Carolina. He was selected for promotion to major general in December 1986 and was promoted to that grade on Sept. 1, 1987. He was assigned duty as the Director of Logistics, Plans, Policies and Strategic Mobility Division, Installations and Logistics Department, Headquarters Marine Corps, on Sept. 16, 1987. General Looney served in this capacity until Jan. 3, 1989, when he assumed his current assignment. He was assigned additional duty as Deputy Naval Inspector General for Marine Corps Matters/Inspector General of the Marine Corps from July 17, 1989 until Sept. 28, 1989.

In addition to The Basic School, General Looney's military schooling includes the NATO Defense College, Rome, Italy, graduating in February 1972, and the Industrial College of the Armed Forces in Washington, D.C., graduating in June 1978.

His decorations include: the Bronze Star Medal with Combat "V" and gold star in lieu of a second award with Combat "V"; Meritorious Service Medal; Combat Action Ribbon; Navy Unit Commendation; Meritorious Unit Commendation; Marine Corps Expeditionary Medal with two bronze stars; Armed Forces Expeditionary Medal; National Defense Service Medal; Vietnam Service Medal with three bronze stars; Humanitarian Service Medal; Sea Service Deployment Ribbon with two bronze stars; Republic of Vietnam Cross of Gallantry with silver star (two awards); and a number of other awards issued by the Republic of Vietnam.

Major General Looney and his wife, the former Sheila T. McDermott of Hasbrouck Heights, N.J., have three daughters and a son: Mary, a captain in the United States Air Force, Tara, Kathryn, and Patrick, a Marine captain.

Mr. Chairman, distinguished members of the Committee, it is a privilege to report to you again this year on the current and future posture of the Marine Corps Reserve.

Your interest in the Reserve and its role within the Total Force during this period of rapidly changing world events is appreciated. Thanks to your support in the past, the Marine Corps Reserve has continued to strengthen and improve its combat readiness.

The Marine Corps is a unique force with the capability to make a forcible entry from the sea with a fully integrated, self-sustaining, air-ground team of combined arms. This team can deploy rapidly to virtually anywhere in the world. This forcible entry capability demands flexible, multi-mission oriented training. The Marine Corps Reserve role upon mobilization requires that the Reserve force possess the same modern equipment of the Active Component, be proficient in the use of this equipment, and be thoroughly trained.

Charged with providing the means for rapid expansion of the Marine Corps during a national emergency, the Reserve is the foundation for Marine Corps sustainability in the event of mobilization. With trained units and qualified individuals on call to rapidly augment and reinforce the Active Component, the Marine Corps Reserve provides a valuable dimension within the Total Force policy.

The Marine Corps Reserve roles upon mobilization:

- Selectively augment the Active Forces in order to field three active Marine Expeditionary Forces at full wartime structure.
- Selectively reinforce Marine Expeditionary Forces with Selected Marine Corps Reserve units.
- Provide a Marine Expeditionary Brigade, with reduced aviation and combat service support capability, to reinforce an active Marine Expeditionary Force.
- Provide the capability to field a Division, Aircraft Wing, and Force Service Support Group with reduced capability if augmentation and/or reinforcement is not ordered.
- Provide a nucleus to reconstitute a Division, Aircraft Wing, and Force Service Support Group.

The Marine Corps Reserve is capable of executing these roles. Funding of the Marine Corps Reserve's Fiscal Year 1991 budget request will permit continued evolution of the

Marine Corps Reserve to successfully realize its fullest potential as a contributor to National Defense.

MANPOWER

Over 91,000 men and women currently are members of the Marine Corps Reserve. They fall into three categories as provided by law: the Ready Reserve, the Standby Reserve, and the Retired Reserve.

First to fight in the event of mobilization are the Ready Reservists - the Selected Marine Corps Reserve and the Individual Ready Reserve. During Fiscal Year 1990 we budgeted for 44,000 Marines to be members of the Selected Marine Corps Reserve. The Selected Marine Corps Reserve consists of Marine Reservists assigned to the 4th Division-Wing Team (4th Marine Division, 4th Marine Aircraft Wing, and the 4th Force Service Support Group), the Individual Mobilization Augmentee program, and the Full-Time Support program. The structure of the 4th Division-Wing Team has been developed based on their mobilization role and missions. The 4th Division-Wing Team, when mobilized, is capable of providing approximately 25 percent of the trained combat manpower available to the Fleet Marine Force Commanders for augmentation or reinforcing roles. During Fiscal Year 1991, the requested Selected Marine Corps Reserve end strength will decrease by 100 Marines due to the retirement of our aging equipment, specifically the 4th Marine Division's M109 and M110 self-propelled artillery assets.

Our Individual Mobilization Augmentees are drilling Reserves who are preassigned to mobilization billets which must be filled between Mobilization Day and Mobilization Day plus 10 and whose mobilization duties are of such a nature that the individual must be available immediately upon mobilization. Our 1,400 Individual Mobilization Augmentee's are organized by function or geographic location into Individual Mobilization Augmentation Detachments. Our request for next year has zero growth. Our Individual Mobilization Augmentees, as currently assigned, allow for effective training in their mobilization billet in peacetime and the timely recall of pretrained personnel in the event of mobilization.

This year 2,301 Marine Reservists are working full-time in support of our Reserve force. The Marine Corps Reserve Fiscal Year 1991 Full-Time Support strength request of 2,401 Marines will support required 4th Marine Aircraft Wing aircraft modernization and the continuing implementation of the Commandant's Warfighting Enhancement Initiatives that we began two years ago. Our funding request for Full-Time Support growth will enable the 4th Marine Aircraft Wing to

continue to maintain an aircraft readiness rate that is competitive with the Active Marine Aircraft Wings.

The Individual Ready Reserve makes up the balance of the Ready Reserve. This valuable, experienced manpower asset, though not drilling, is managed by the Marine Corps Reserve Support Center (MCRSC), Overland Park, Kansas. During mobilization, MCRSC will implement the processing of these individuals to augment Active and Reserve Components. Current Individual Ready Reserve end strength estimates are 48,000 Marines for Fiscal Year 1990 and 74,000 Marines for Fiscal Year 1991. The growth is due to the fact that beginning in June, 1984, all enlistees incurred an eight-year Military Service Obligation. Enlistment contracts under the eight-year obligation have a variety of Active/Reserve obligation periods. We expect a continued growth in the end strength in the future as a result of the eight-year Military Service Obligation.

The Standby Reserve is that portion of the Reserve consisting of Reservists who may be ordered involuntarily to active duty only in time of war or national emergency declared by Congress, or when otherwise authorized by law. Our Standby Reserve end strength during Fiscal Year 1990 will be approximately 1,400. There is zero growth projected in this program during Fiscal Year 1991.

Reservists transferred to a retired list pursuant to Federal law, having completed 20 qualifying years of creditable service for retirement pay, are members of the Retired Reserve. Our Fiscal Year 1990 personnel estimate is 2,790 in the Retired Reserve. We anticipate no significant growth in Fiscal Year 1991 in this area.

Our Active Duty in support of the 4th Division-Wing Team consists of 4,999 Marine officers and enlisted personnel assigned to inspector-instructor staffs and aviation support units. These Active Duty Marines comprise 70 percent of our full-time personnel support to the Marine Corps Reserve, or a ratio of one Active Duty Marine for every nine drilling Marine Reservists. Those Active Duty Marines in support of the Reserves represent 2.5 percent of the total Active Duty end strength. Approval of the Fiscal Year 1991 Manpower, Marine Corps budget request will enable us to continue this very effective use of manpower.

We are requesting funding for 352 civilian billets in Fiscal Year 1991, a zero growth from this year. These billets are mainly in the administrative, data processing, personnel management, budget and finance areas, and are a vital part of the Reserve structure, performing valuable day-to-day tasks. We have centralized our civilian billets to the minimum required to accomplish required support functions. These civilians perform the functions that are

accomplished by the bases and stations for the Active Component.

RECRUITING

The Marine Corps Reserve recruiting programs, both Prior Service and Non-Prior Service, have been successful in the last few years in achieving the approved end strength. Our recruiting efforts will continue in the 1990's to meet the anticipated decrease in the number of potential recruits due to the decline in the military age population. The increasingly competitive civilian job market and the growing sophistication of modern warfare make the recruitment of well-qualified individuals a difficult, though not impossible task. We recruited 7,679 Non-Prior Service Reserve Marines during 1989 which represents 101 percent of our goal. We plan to achieve a Fiscal Year 1990 requirement of 7,800 recruits and a Fiscal Year 1991 goal of 7,900 recruits. In Fiscal Year 1989, 98 percent of our Non-Prior Service recruits were high school graduates. Seventy-nine percent are from Armed Forces Qualification Test (AFQT) categories I-III A, with less than 0.2 percent of our recruits from AFQT category IV. The average Non-Prior Service Reserve accession is from AFQT category II with a GT of 110. Additionally, 21 percent of our Non-Prior Service recruits are certified college students.

Our recruiting goal for Prior Service Reserve personnel will decrease to 4,304 in Fiscal Year 1991 from 4,600 in Fiscal Year 1990. Factors contributing to the decrease are the Montgomery GI Bill, a reduction in attrition before the end of drilling contracts, better drill attendance, and increased training opportunities. Since implementation of the Montgomery GI Bill in 1985, we have experienced greater success in recruiting and retaining Non-Prior Service Marines, therefore reducing the number of Prior Service Marines needing to be recruited.

NAVY SUPPORT

The 4th Division-Wing Team, as part of the Navy-Marine Corps Team, is furnished aircraft, operations and maintenance funding, and medical, dental and religious support from the U.S. Navy. Our mission could not be accomplished if it were not for the outstanding support of the Naval Reserve officers and enlisted personnel that are in direct support of the Marine Corps Reserve.

There are 2,040 Medical Officer and Corpsmen selected reserve billets structured to support the Marine Corps Reserve. Eight physician billets in the Physician Reservists in Medical Universities and Schools (PRIMUS) program are in support of the 4th Division-Wing Team. There are 81 Dentists and 128 Dental Technicians in the 4th Dental

Battalion, 4th Force Service Support Group. The Naval Reserve officers and enlisted personnel filling these billets in the 4th Division-Wing Team serve side by side with our Marines, participating fully in virtually every Marine Corps Reserve training exercise and annual training duty period. They provide an extremely important aspect of combat service support capability.

The 4th Division-Wing Team is supported by 333 Reserve Chaplains and Religious Program Specialists. These personnel provide command religious programs to the individual Reservist and to the Active Duty Marine in full-time support of the Reserves. In addition, they assist and provide religious support to Marines on independent duty.

We support the Naval Reserve's request for \$13.2 million for Fiscal Year 1991 for personnel to support the Marine Corps Reserve. This funding will enable the Reserve Navy-Marine Corps Team to continue to be prepared to augment, reinforce, or move as a unit to provide combat service support upon mobilization.

AVIATION

The Marine Corps is currently operating below its inventory requirement of CH-46s, our medium lift helicopter, and normal peacetime attrition will cause significant shortfalls by the mid-1990s. The shortfall will manifest itself in both the Active and the Reserve aircraft wings. Additionally, because these helicopters were procured in large quantities during the 1966-1970 timeframe, a significant block obsolescence problem could occur in the late 1990's.

The need for a replacement for the CH-46 is important to the Total Force. Without a Medium Lift Replacement aircraft, reliance upon the Marine Corps Reserve CH-46 fleet will become even more critical to the Active Component.

The Operation and Maintenance, Naval Reserve budget provides funds for the flight hour program which, in the Reserves, is based on the minimum number of hours required to maintain pilot proficiency. The transition from the KFIR aircraft to the F-5E aircraft in our VMFT squadron, which provides aggressor aircraft services to both Active and Reserve squadrons, resulted in an \$11 million decrease in the Navy funded flight hour program. We will continue to look for ways, particularly in modernization efforts, that enable us to reduce operations and maintenance costs. Funds for this very important program have been adequate in the past and are critical if our Reserve pilots are to remain tactically proficient and capable of meeting current mission requirements.

Two KC-130T aircraft from the Fiscal Year 1989 National Guard and Reserve Equipment, Defense appropriation will be delivered in December 1990. With these aircraft, the Reserves will have 18 KC-130Ts in service. We are working to place on order the two KC-130T's that were authorized and appropriated from this year's National Guard and Reserve Equipment, Defense appropriation. Continued Congressional support of the Fiscal Year 1991 budget request is needed to further complete the requirement for KC-130T aircraft in the 4th Marine Aircraft Wing.

The AH-1W is the Marine Corps' premier attack helicopter. The Reserve AH-1Js cannot be upgraded to meet the postulated threat or to carry out its assigned missions. With your support, modernization in that critical area will begin soon. Six AH-1Ws have been appropriated, but are not yet authorized. Once received, the additional capability that the AH-1Ws will bring to the 4th Marine Aircraft Wing will truly enhance the Reserve combined arms team.

FACILITIES

The 4th Division-Wing Team has 167 ground and 26 aviation facilities located throughout the United States, District of Columbia, and Puerto Rico. These sites provide the facilities for the training, equipping and the administrative support of our Marine Reservists. The Marine Corps owns facilities at 23 of these sites, manages 33 and occupies the remaining 137 joint use facilities with other Guard and Reserve units. The 4th Division-Wing Team has tenant units aboard four Marine Corps Air Stations and three Marine Corps Bases.

Beginning in the Fiscal Year 1990 Military Construction, Naval Reserve budget, the Marine Corps assumed budgeting responsibility for the new construction of Marine Corps Reserve facilities. The Fiscal Year 1991 request contains only one project, a hangar for the recently activated attack helicopter squadron that stood up during Fiscal Year 1988 at Marine Corps Air Station, Camp Pendleton, California at a cost of \$8.1 million.

EQUIPPING THE FORCE

During peacetime, the 4th Division-Wing Team holds only a portion of its Table of Equipment in the form of a Training Allowance. This Training Allowance provides the equipment required to conduct unit training. The balance of the units Table of Equipment is held by the Commander, Marine Corps Logistics Bases in the Marine Corps Stores System in Albany, Georgia and Barstow, California. Upon mobilization, the remainder of a unit's Table of Equipment, or initial issue, will be shipped to the appropriate Station of Initial Assignment or Port of Embarkation.

The \$35 million requested in the Fiscal Year 1991 Procurement, Marine Corps budget in support of the Reserves will enable us to continue the Amphibious Assault Vehicle Product Improvement Project, procure a Tactical Air Operations Module, and continue procuring items in the Marine Corps shelter and container families. These items are part of the ongoing modernization of the 4th Division-Wing Team.

READINESS

Readiness is the hallmark of the Marine Corps. The 4th Division-Wing Team is regularly assessed with the same criteria used to evaluate and measure the Active Component. The Marine Corps Field Supply and Maintenance Analysis Offices conduct regular assistance visits to units to analyze supply accounting records and equipment maintenance procedures. Based on their analysis of both Active and Reserve units, 4th Division-Wing Team units are exercising the same level of sound supply accounting practices and maintenance procedures as Active units.

Using realistic scenarios and the same criteria as the Active Component, the 4th Division-Wing Team evaluated ten battalion/squadron size units last year using the Marine Corps Combat Readiness and Evaluation System. These evaluations indicated that the evaluated units were ready to assume their role as part of the Total Force upon mobilization.

In addition to tactical expertise, another aspect of reserve readiness is preparedness for mobilization. The Mobilization Operational Readiness Deployment Test is used to evaluate mobilization readiness. This test is a short notice drill, as it is expected mobilization might be, and provides a realistic evaluation of a unit's capability to recall its personnel and move them to their Station of Initial Assignment quickly and efficiently. Last year 125 units were evaluated under this test, with 86 percent being rated mobilization ready. Those units not judged to be ready are reevaluated within six months. Overall mobilization readiness within the 4th Division-Wing Team indicates that units and personnel are prepared to provide quality forces on short notice with substantial capability for immediate employment in any theater of operations.

While the results of these evaluations and tests are primarily for the use of unit commanders, they provide the Commandant with a valuable perspective on the readiness of his Reserves. All indicators show that the 4th Division-Wing Team is prepared for and capable of supporting the missions and roles they have been assigned.

The Marine Aviation Logistic Support Concept program is currently in its final stages for implementation. When completed, the program will improve sustainability and readiness of Marine Reserve aviation. The Contingency Support Packages for the 4th Marine Aircraft Wing's rotary wing and fixed wing aircraft mix are funded by the Operations and Maintenance, Naval Reserve budget. These Contingency Support Packages will provide aviation logistics support during mobilization.

TRAINING

The 4th Division-Wing Team sponsors an intensive and aggressive training program which includes emphasis on warfighting skills and participation in Active Component exercises. This training helps retain our quality Reserve Marines. While the Reserves do not have the same amount of time to train as their Active Component counterparts, the realistic and meaningful training provided will ensure a combat capable force upon mobilization.

Non-Prior Service enlisted Marines accessed into the Marine Corps Reserve undergo the same initial boot camp training as Active Component Marines. The Commandant's Marine Battle Skills Training applies equally to the Reserve and Active Components. Marine Battle Skill Training involves the Basic Warrior Training program conducted during recruit training and the follow on Marine Combat Training conducted at the Schools of Infantry. All Marines attend the same full length formal schools to obtain their Military Occupational Specialty qualification after completing Marine Combat Training.

All Prior Service Marines are recruited for a specific unit and Military Occupational Specialty. Frequently, however, outstanding Marines leaving active duty with skills that the 4th Division-Wing Team has a requirement for are unable to join a local Reserve unit because they live beyond the 50 mile limit of the unit in need of that particular skill. As a result, these Marines that have faithfully served are afforded the opportunity to learn a new primary Military Occupational Specialty by either attending full length formal schools or by assignment to the Initial Skill Training program.

The Initial Skill Training Program allows Reserve Marines, both Prior Service and Non-Prior Service, who are unable to attend full length schools, to obtain a billet Military Occupational Specialty in two years by completing a combination of two week formal schools, Managed-on-the-Job Training, correspondence courses, and vocational/technical school courses. We have programmed for 300 Prior Service Marines to receive this training during Fiscal Year 1990. About the same number will receive this training during

Fiscal Year 1991. The Initial Skill Training program helps reduce Military Occupational Specialty mismatches, primarily in ground units.

In addition, the Vocational/Technical Training program provides skills and Military Occupational Specialty training within the Selected Marine Corps Reserve. We will continue to use community vocational and technical training resources to increase the number of technically proficient Marines. We are continually upgrading this program to be sensitive to future requirements.

The Marine Corps Reserve continues to enhance individual and collective training by exploiting new technology with training simulators and devices allowing the 4th Division-Wing Team to conduct meaningful and realistic training without leaving the training centers in most cases. We have used the National Guard and Reserve Equipment, Defense appropriation to acquire two full-crew tank trainers and our Light Armored Vehicle Battalion has received three 25mm gunnery trainers. The 4th Division-Wing Team will soon be receiving 38 innovative and effective indoor simulated marksmanship trainers for small arms. When received, this trainer will allow units with limited access to rifle ranges the opportunity to maintain and even improve individual marksmanship skills.

All Marines, Active or Reserve, are required to participate in the Commandant's vigorous Professional Military Education (PME) program. This program which includes professional reading and self-study in conjunction with formal schools, emphasizes the responsibility of all Marines to continue their professional growth. Our PME opportunities are designed to accommodate the limited training time available to most Reservists. During Fiscal Year 1990, 764 officers are scheduled to attend formal schools during two-week annual training periods, including the Marine Corps Amphibious Warfare School and the Marine Corps Command and Staff College. We plan on providing 872 officers these PME opportunities in Fiscal Year 1991. In Fiscal Year 1991, Active and Reserve officers that are not selected for a PME resident school, will be required to complete the appropriate Non-Resident PME course by correspondence. Selected Active and Reserve officers will then attend a two week resident course of instruction at the Marine Corps University, Quantico, Virginia, to augment their Non-Resident PME.

Always mindful that the staff non-commissioned officer, or SNCO is the "backbone" of the Marine Corps, 222 Reserve SNCO's will attend the Staff Non-Commissioned Officer Academies resident course during Fiscal Year 1990. One Advanced SNCO course will be conducted for 48 of our Sergeants Major and Master Gunnery Sergeants at the Marine

Corps University, Quantico, Virginia, during this Fiscal Year. Similar numbers are planned for Fiscal Year 1991.

Members of the Individual Ready Reserve are afforded the opportunity to participate in individual training through the Reserve Counterpart Training and Exercise Support programs. Reserve Counterpart Training is designed to provide Military Occupational Specialty refresher training; 1,442 Marine officers and enlisted personnel will be afforded the opportunity to participate in this training during Fiscal Year 1990. Similar numbers are budgeted for during Fiscal Year 1991. The Exercise Support Program will provide operational training to 579 Marines during Fiscal Year 1990. This program affords the Reserve Marine the opportunity to join Active Component units while those units are participating in exercises. This level of operational training support is expected to continue next year.

As part of the Commandant's Warfighting Initiatives to structure the active forces to be more expeditionary, sixteen Reserve rifle companies were earmarked to assume the role of the fourth company to designated Active Component infantry battalions. These rifle companies in the event of mobilization will report to their designated battalion. The Reserve Marines train to standards established by their Active Component counterparts, and during Annual Training Duty these earmarked companies join their designated battalion. Last year three companies trained overseas. This year two Reserve rifle companies are programmed to train overseas with their Active Component battalion. Our budget request will enable us to provide Reserve units the opportunity to train both overseas and in the Continental United States. These types of training opportunities aid in recruiting and retention.

During Fiscal Year 1990, units of the 4th Marine Division-Wing Team will participate in 24 exercises along with their Active Component counterparts. Other units will conduct basic combat training to improve rear area security capabilities, live-fire exercises, Military Occupational Specialty training, and skill progression training.

A significant series of exercises that are held each year are the Combined Arms Exercises. The primary purpose of a Combined Arms Exercise is to improve the proficiency of command and control personnel in fire support planning and coordination. Elements of the 4th Division-Wing Team participate in these exercises held at the Marine Corps Air Ground Combat Center, Twentynine Palms, California. Over 7,500 Marine Reservists participate in these exercises each year. We plan on conducting two Combined Arms Exercises this year and two in Fiscal Year 1991.

Superior realistic training and leadership have resulted in increased retention in the Selected Marine Corps Reserve. Continued funding to enable positive training opportunities will enable us to retain the best Marine Reservists in the Ready Reserve.

THE WAR ON ILLEGAL DRUGS

The National Defense Authorization Act of Fiscal Year 1989, has given the Marine Corps Reserve the opportunity to be involved in counternarcotics efforts. The 4th Reconnaissance Battalion, 4th Marine Division, from San Antonio, Texas, has conducted surveillance training along the United States southwest border in conjunction with the United States Border Patrol in a cooperative effort to reduce the illegal drug supply. The battalion has also provided training in land navigation and patrolling to the Border Patrol. These ongoing activities not only assist the Border Patrol in its efforts, but provide the individual Marines with excellent training opportunities.

Additionally, Marine Reservists from the 4th Marine Aircraft Wing participated in counternarcotics operations this year. Fourth Marine Aircraft Wing KC-130s, OV-10s, CH-53s and UH-1s flew 430 flight hours in support of these operations. Additionally, Marine Reservists manned an AN/TPS-59 radar site in the Caribbean to monitor enroute air traffic and report suspected illegal drug activity. These operations provided 4th Marine Aircraft Wing personnel with realistic and meaningful Military Occupation Specialty training.

We have continued our aggressive policies to eradicate the demand for illegal drugs within our Corps. The Marine Corps Substance Abuse Program contains both proactive and reactive programs. These programs are applicable to both Active and Reserve Marines. Marine Corps policy is very clear - it will not tolerate illegal drug use among Marines, either Active or Reserve. Our Marines are trained in the consequences of drug use, distribution, and/or possession. They are also subjected to detection through random urinalysis testing and are briefed on the voluntary drug disclosure program. One of the major goals of our policy is to provide a drug-free environment for all Marines.

We have encouraged voluntary participation in "Campaign Drug Free", a program designed to send Reservists into the local elementary schools to encourage young people to avoid illegal drugs. Individual Marine Reservists have been actively participating in local community anti-drug efforts for years. As an enhancement to our past participation we have established the Marine Corps Community Drug Education Assistance Program. This program is designed to augment community anti-drug efforts and is conducted by Active and

Reserve Marines on a purely voluntary basis. This relatively new program encourages coordinated command participation in community drug deterrent measures.

COMMUNITY SERVICE

Marine Reservists are in fact "twice the citizen." When their local community is in need, they respond with enthusiasm. After Hurricane Hugo, Marine Reservists volunteered to assist their communities' clean-up efforts. Our Active Duty inspector-instructor staffs helped man command posts that coordinated the local clean-up effort. Marine Reservists assisted in food preparation, helped serve at relief centers and assisted the Forest Service in clearing roads.

Following the San Francisco earthquake, Marines from the 4th Marine Aircraft Wing, based at Alameda Naval Air Station and Fresno, California, immediately provided support to many rescue and damage assessment missions. Marine Reserve helicopters, along with those of our sister services, were often the only reliable transportation during the first few days following the quake. In addition, Marine Reservists provided logistics support and provided communications assistance to the Federal Emergency Management Agency.

CONCLUSION

The Marine Corps Reserve is a vital element of the Total Force Policy. High morale and dedication are major strengths of today's trained men and women from across our country that are the embodiment of this force in readiness. With your continued support we will continue the modernization effort that was begun in the 1980's. With state of the art equipment and training facilities, our substantial effort in recruiting and training will result in our retaining quality Marines.

Finally, our integration of the Active and Reserve Components will continue from the Headquarters staffing process to units in the field. Mobilization is ultimately the integration of our Active and Reserve Components into a combined arms team, and is appropriately the dominant factor in all Reserve training and planning. Total Force is a vital, established reality in the Marine Corps. Our programs and funding requests at the attachment have been developed to ensure that the Marine Corps Reserve is prepared for its assigned roles.

The Marine Corps is a unique force with a crucial role to fill in the national defense of our country. Our continued commitment to the men and women that make up this force is essential. The substantial capability held in the Marine

Corps Reserve is truly a vital dimension, one in which the American people can justifiably have great confidence and pride. Your Marine Reserve, if called upon, is ready to answer the call as part of America's Force of Choice.

TOTAL SUPPORT OF THE MARINE CORPS RESERVE
(\$ Millions)

<u>MARINE CORPS APPROPRIATIONS</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
Reserve Personnel,	315.0	314.5	336.4
Marine Corps (RPMC)			
Military Personnel,	149.0	141.5	143.8
Marine Corps (MPMC) (I-I, ACDU Support)			
Operations & Maintenance,	77.4	77.4	86.1
Marine Corps Reserve (O&M,MCR)			
Procurement, Marine Corps	24.0	26.3	35.0
Operations & Maintenance,	2.7	2.9	3.0
Marine Corps (HQMC CIV PERS/ADV)			
 <u>TOTAL MARINE CORPS</u>	 <u>568.1</u>	 <u>562.6</u>	 <u>604.3</u>
<u>NAVY/OTHER SUPPORT</u>			
Operations & Maintenance,	81.8	60.8	70.1
Naval Reserve (Flight Hours)			
Reserve Personnel, Navy	12.7	13.2	13.1
(Physicians, Dentists, Chaplains, Nurses)			
Military Construction,	20.0	24.8	15.7
Naval Reserve (MCNR)			
National Guard Reserve	<u>81.8</u>	<u>108.6</u>	<u>25.0</u>
Equipment, Defense Appropriation (NGREA)			
TOTAL OTHER SUPPORT OF USMCR	196.3	207.4	123.9
TOTAL SUPPORT OF USMCR	764.4	770.0	728.2

ANTI-SUBMARINE WARFARE (ASW) MISSION

Mr. AuCOIN. Thank you, General.

Let me turn first to ASW. Admiral Taylor, in your full statement you mentioned that ASW remains a high priority and that it will be strengthened by transfer of frigates into the reserves. However, when the committee's Surveys and Investigation staff recently reviewed the ASW mission of the Naval Reserve, several important points found were these, among others, that ASW simulator training for reservists is nonexistent. Reservists are rarely involved in ASW team training and fleet ASW training centers.

Training requirements normally exceed reservists real time. Hence, skills are assigned to active personnel. No ASW training devices were on hand at Navy Reserve centers and readiness centers. Five ASW ratings were removed from the TARS, leaving none in the reserve force.

Active forces view Navy reservists with an attitude of what our S&I staff said was benign and indifferent.

You have seen the report, I understand?

Admiral TAYLOR. I have not seen the report.

Mr. AuCOIN. Those are some of the findings.

Staff tells me the Navy Reserve was given a copy of the report yesterday.

Admiral TAYLOR. I personally have not seen the report, sir.

Mr. AuCOIN. Are you familiar with the report?

Admiral TAYLOR. No, sir. Only what you have read to me.

Mr. AuCOIN. I have just given you some of the highlights. How can you say ASW is a high priority mission for the Navy Reserve when evidence of this kind points otherwise?

Admiral TAYLOR. Well, I would like to reiterate that the CNO's highest mission priority is ASW, and I support that. That remains a high priority mission for the Naval Reserve both in their Naval Air Reserve and in our surface reserve.

I have not seen the report. That report has not officially been delivered to the Navy, to my knowledge.

Your statements that you read, if I were to comment on those, I would have to say that some are inaccurate and some are misleading.

ASW SIMULATORS

Mr. AuCOIN. Let's talk about that then.

The Navy has been officially given the report. I need to state that. I can identify which office, if you would like, for the record. It has been delivered, though. But, if some of these are inaccurate, let's make sure the record is clear.

Is it true that ASW simulator for reservists is nonexistent?

Admiral TAYLOR. At our readiness centers, primarily our large readiness centers, and large reserve centers, we have simulators which are utilized. They are shipboard simulators where we do ASW team training.

Mr. AuCOIN. It is inaccurate then?

Admiral TAYLOR. It depends upon what type of simulators the report refers to. If it is talking about gram analysis, that is true, we do not have those types of simulators. There are shipboard sim-

ulators at our readiness centers where our ship reinforcing units train during their drill weekends that provide them basic training and ASW coordination.

ASW TRAINING

Mr. AuCOIN. Is it true that reservists are rarely involved in ASW team training at fleet ASW training centers?

Admiral TAYLOR. That is a true statement, sir. That is because our drilling reservists normally drill on the weekend on board NRF ships which are deployed on the weekend.

If the Naval ship were to stay in port, they could get ASW training.

Mr. AuCOIN. There is reason for it, but that statement is true?

Admiral TAYLOR. Yes. They get their ASW team training on board the ship on the actual equipment with the NRF ship crew.

Mr. AuCOIN. Is it true training requirements normally exceed reservists drill time, hence, skills are assigned to active personnel?

Admiral TAYLOR. That is true, yes, sir. That is for gram analysis training, not for your quad zero or some of the other ASW ratings.

Mr. AuCOIN. Is it true that no ASW training devices were on hand at Navy Reserve centers and readiness centers?

Admiral TAYLOR. I spoke to the Ship Board Simulators trainers that are at some of the readiness centers. I am not sure which one that particular group of people investigated. They are not at all readiness centers.

Mr. AuCOIN. Are they at some?

Admiral TAYLOR. Yes, sir.

Mr. AuCOIN. Are they at most?

Admiral TAYLOR. I would have to provide that for the record. As far as percentages, I don't have that.

Mr. AuCOIN. What is your impression?

Admiral TAYLOR. My impression of what, sir?

Mr. AuCOIN. Of the percentage of centers where training—

Admiral TAYLOR. It would be a guess off the top of my head. I would say too, probably less than 50 percent would have team trainers. I would be better served providing that for the record.

Mr. AuCOIN. If you would, we would appreciate it.

[The information follows:]

Of the 40 Naval Reserve Readiness Centers, current or projected, 26 (65%) have Shipboard Simulators (SBS). Another eight SBSs are located at Naval Reserve centers.

ASW TAR RATINGS

Mr. AuCOIN. Is it true five ASW ratings were removed from the TARS leaving none in the reserve force?

Admiral TAYLOR. No, sir. There were five ratings removed from the TARS. They were not all ASW ratings. There was one ASW related rating. That was the operational specialist rating. The other four ratings were boiler technician, machinist mate, ship serviceman. I don't recall the fourth rating. The other rating was not an ASW rating.

Mr. AuCOIN. Were any ASW ratings left in the reserve force?

Admiral TAYLOR. Yes, sir, an operation specialist is an ASW rating. Excuse me. State your question again. I almost answered it incorrectly.

Mr. AUCOIN. Are any ASW ratings remaining in the reserve force?

Admiral TAYLOR. Yes, sir, we do have ASW ratings remaining in the reserve force.

ON-BOARD TRAINERS

Mr. AUCOIN. Of the problems that we have identified that you deem to be accurate, what is being done to correct those problems? Or is there anything being done to correct the problems?

Admiral TAYLOR. There will be. There are plans to install on-board trainers on our FFG-7 frigates. They have not yet been installed but are in the planning stages. I believe they are in the procurement system. There are no onboard trainers presently programmed for the FF-1052 class frigates.

We continue to train at our readiness centers on the shipboard simulators and continue to provide hands-on training onboard the frigates when the reservists do their drill weekends and during their annual training.

S&I REPORT AND NAVY RESERVE CRITIQUE

Mr. AUCOIN. Admiral, just to make sure we are clear with each other, this report, the S&I report, was delivered to your office yesterday for the purpose for you to review.

Admiral TAYLOR. Yes, sir.

Mr. AUCOIN. Indicating that there may be errors and misleading conclusions in the S&I report, of those portions of it I have gone over, several are fairly serious.

What I would like to do is ask you to provide for the record a critique of the S&I report.

Admiral TAYLOR. Yes, sir.

I would have presumed that that would be the purpose for it having been delivered to us, and we will be glad to do that.

[CLERK'S NOTE.—The S&I report, along with Navy Reserve comments, is printed on page 554.]

SURFACE SHIPS

Mr. AUCOIN. Let's move to Navy surface ships.

Admiral Taylor, in your statement you mentioned that in 1968, six Navy Air Reserve squadrons were called to assist the U.S.S. *Pueblo* mission and none of those squadrons deployed.

You mentioned Reserve aircraft was incompatible with fleet carriers and the systems were 47 percent unmanned. You end with a thought that this squadron would be unthinkable today. However, when Navy Reserve ships were called to the Persian Gulf, manning had to be performed by cross decking activity personnel from other ships.

Don't you think these two situations are similar?

Admiral TAYLOR. No, sir, I don't.

Mr. AUCOIN. I didn't hear your answer.

Don't you think they are similar?

Admiral TAYLOR. No, sir. I will be glad to elaborate on that.

Mr. AuCOIN. Would you do so?

Admiral TAYLOR. Yes, sir.

The situation I referred to in 1968 when the Reservists were recalled, their equipment was incompatible and they were undermanned by 47 percent.

The situation which relates to the Persian Gulf, the equipment was ready to go and the ships were manned at 91 percent. We had a situation, if you want to say that, in 1968 where the Reservists were not ready. They were willing but they were unable. And in the Persian Gulf they were willing but they were unable to go because they were not allowed to go.

The issue that you spoke of, cross decking, the ships deployed on time and did their mission. The equipment was ready to go and the crews were ready to go and would have gone had they been involuntarily recalled. Some of them did go as volunteers.

REPORT ON 10 U.S.C. 673 (b)

Mr. AuCOIN. The conferees requested the Navy and Navy Reserve to develop a plan whereby well trained Navy Reservists are available to deploy on extended missions. Tell us the status of that plan.

Admiral TAYLOR. We are coordinating with the Navy's Total Force Advocate who is preparing the response to that request. Of course, you know that is a subject being considered by the Total Force Policy Study Group that is currently in session, of which I am a member.

I can tell you that from my perspective, the Navy and the President have a series of options available now. They range from volunteerism, which works well in some cases; in some cases, not so well; to an involuntary recall option; to mobilization.

There are a number of ways that Reservists can be utilized in operational requirements both short of mobilization and during mobilization.

CLOSURE OF HOMEPORTS

Mr. AuCOIN. Admiral, several Navy Reserve homeports are candidates for base closures, as you know. Won't those closures further exacerbate the Reserve manning problem?

Admiral TAYLOR. In my opinion, yes, sir, they will. Depending upon the port that is closed, the units affected and where we are required to move those units, it will have a varying degree of effect on the Naval Reserve.

Mr. AuCOIN. If the Long Beach closure takes place, what impact will that have on the West Coast?

Admiral TAYLOR. We will have to move the ships that are there to another homeport, which already has a high density of Navy ships. I am not sure exactly where we would move them.

That is a decision that would be made later, after the closure decision. But wherever we would move them, moving Naval Reserve units is different than moving active units.

When you move a Naval Reserve unit, and it doesn't matter if it is a ship, an aircraft squadron or whether it is just a Reserve unit at a center, you move the unit, but you do not move the people.

The active component can order their people to go with their unit. We have to move the unit. What happens is, if the Reservist is able and desires and wants to commute to this new homeport, then he may affiliate.

He may not elect to do that. Therefore, your readiness suffers at the new location. Then you have to recruit new people to fill those billets.

Mr. AuCOIN. Does that mean you may find yourself in a position where you can't transfer those homeported ships to other densely homeported areas because they are further removed from the current personnel who are in the Reserves?

Admiral TAYLOR. Well, if the homeport were to close, then the units would have to be moved. We would be forced to move them to some other homeport.

It could very well be one that already has Naval Reserve Force ships. It would impact on our ability to man those forces.

Mr. AuCOIN. The further away it is from the current personnel who are in the Reserves, the harder it may be to maintain them?

Admiral TAYLOR. Yes, sir. They may elect to affiliate with another type of Reserve unit that would be in the local area.

P-7 AIRCRAFT PROCUREMENT

Mr. AuCOIN. What is the status of P-7 procurement and its resulting impact on transferring the P-3B's and the P-3C's to the Reserves?

Admiral TAYLOR. I understand that there is a slip in the P-7 program. And whatever slips in the program for the active side results in a subsequent slip to the Reserve.

P-3 RESERVE SQUADRONS

Mr. AuCOIN. Last year funds were appropriated to maintain the Reserve squadrons at eight aircraft each. Vice six requested in the budget.

How many aircraft per squadron are being maintained in fiscal year 1990?

Admiral TAYLOR. First of all, I would like to say that the funds that were appropriated for that purpose in fiscal year 1990 were not authorized, and have not yet been authorized.

Mr. AuCOIN. They were appropriated, though?

Admiral TAYLOR. That is true. They have not yet been authorized so they are not available to us to use for that purpose.

Mr. AuCOIN. We appropriated the money.

Admiral TAYLOR. The money is not available for me to use, sir. We are in the process of drawing down from an inventory of nine per squadron to eight per squadron.

If the funds are not available to us, and we are hopeful that will be resolved within the next month, we will continue our drawdown to an inventory of six per squadron by the end of the year.

Mr. AuCOIN. How many aircraft per squadron does the fiscal year 1991 budget support?

Admiral TAYLOR. Six.

AH-1W HELICOPTERS

General LOONEY. Sir, I will also say that Congress has appropriated but not authorized our AH-1W's. We are ready to go to contract, and we are just waiting for the authorization.

P-3 SQUADRONS

Mr. AuCOIN. Drawdown of the P-3 aircraft will result in a loss of 800 Reserve Forces, pilots, crew Members and maintenance personnel. Since there are few active training centers for P-3B Reservists, the Navy Reserve has begun to operate a Navy Air Reserve ASW training center to grow its own forces in its own words.

Does this make any sense to drawdown the trained P-3 Reservists only to develop a reserve ASW training center to train new personnel?

Admiral TAYLOR. Sir, the Air ASW training center has been in existence since 1971. It serves a variety of purposes. Presently it is training P-3B mod crews since the active side is a P-3C equipped crew force. We are not doing it to grow our own. It is a means by which we stay trained.

There are some courses being taught there that the active forces use. We also train students that are here from foreign countries under foreign military sales agreements.

The purpose of the school is not to grow our own, and it has been in existence for some time.

Mr. AuCOIN. The purpose then is to stay trained?

Why then does it make sense to draw down the trained P-3 Reservists?

Admiral TAYLOR. I believe the decision to draw down the inventory of P-3s in the Reserve squadrons was a budgetary decision made for FY-1990.

BASE CLOSURES

Mr. AuCOIN. Base closures will impact the Navy Air Reserve as well. While these will probably have little impact on the P-3 aircraft crews, ground crews and maintenance personnel may not wish to relocate to new sites.

Do you envision any problems in this regard?

Admiral TAYLOR. Yes, sir.

It is a reiteration of my explanation with regard to the NRF ships. When we move the squadrons, those people who are not pilots sometimes find it difficult to drill at the relocated sites, so I would anticipate that our readiness will go down for some period of time while we recruit new people.

Mr. AuCOIN. Your readiness will necessarily go down?

Admiral TAYLOR. Yes, sir, and the other effect of that will be that we lose naval air presence in those areas where those facilities are closed.

P-3 SQUADRONS

Mr. AUcoin. Admiral, back to the Navy Reserve P-3 mission. In your professional opinion, do you believe that maintaining aircraft per squadron the same as the active force is the proper thing to do?

Admiral TAYLOR. I do.

Our wartime mission is the same as the active force, so I believe we should be structured the same as the active force, so in the event of mobilization we could perform our mission.

I did not want to leave you with the wrong impression with regard to the appropriations S&I report. The report regarding ASW training, there was earlier mention of that. I have not read that and my answer was accurate.

When I told you that it had not been delivered to the Navy, my statement was based on the belief that it must come over to the Navy officially through DOD to us for comment. If your staff has presented that to my staff informally, then we have received it.

Mr. AUcoin. That is understood, Admiral.

We will look forward to your critique and make that part of this record.

[CLERK'S NOTE.—The S&I report and Navy Reserve comments thereon follow. See additional questions on this subject on page 584.]

NOT FOR RELEASE UNTIL AUTHORIZED BY THE COMMITTEE

A MEMORANDUM REPORT TO
THE COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES

on the

ANTI-SUBMARINE WARFARE
MISSIONS OF THE NAVY RESERVE

Surveys and Investigations Staff

March 1990

NOT FOR RELEASE UNTIL AUTHORIZED BY THE COMMITTEE

March 19, 1990

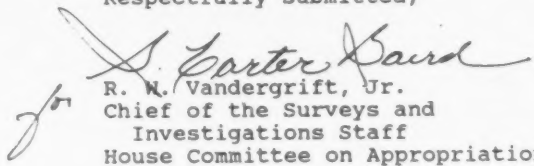
MEMORANDUM FOR CHAIRMAN WHITTEN

RE: Anti-Submarine Warfare
Missions of the Navy Reserve

By letter dated July 21, 1989, the Committee directed an investigation of the Anti-Submarine Warfare Missions of the Navy Reserve.

The investigation has been completed and the results are presented in the attachment to this memorandum.

Respectfully submitted,


R. W. Vandergrift, Jr.
Chief of the Surveys and
Investigations Staff
House Committee on Appropriations

Attachment

ANTI-SUBMARINE WARFAREMISSIONS OF THE NAVY RESERVEIntroduction

The Anti-Submarine Warfare (ASW) mission of the Navy Reserve is to provide trained units and qualified persons available for active duty * * * in time of war or national emergency * * *. The major elements of the Navy Reserve's ASW forces consist of the Naval Surface Reserve Force and the Naval Air Reserve Force, which report to the Commander, Naval Reserve Force.

The Naval Surface Reserve Force

The Naval Surface Reserve Force Commander exercises command over the Naval Reserve Readiness Command (REDCOM) Regions and Readiness/Reserve Centers. The command also includes the Mobile Construction Force, Cargo Handling Battalions, Inshore Undersea Warfare Units, and other surface programs in the combat support mission area.

The Naval Surface Reserve Force consists of 100,013 members (18,870 officers and 81,143 enlisted personnel) who are Selected Reservists (SELRES) who drill and receive pay. Additionally, there are 86,411 members of the Individual Ready Reserve (IRR) (18,268 officers and 68,143 enlisted personnel) who neither drill nor receive pay. Although members of the IRR are "recalled" annually and directed to report to a Naval Reserve Center to update their records, the Naval Reserve Force was unable to provide a breakout of IRR personnel who would be deemed members of the Naval Surface Reserve Force or the Naval Air Reserve Force, because the IRR does not come under the management and control of the Commander, Naval Reserve. The IRR is under the command of the Naval Military Personnel Command which reports directly to the Chief of Naval Operations (CNO).

In the ASW mission area, the Naval Surface Reserve Force's primary focus is on the manning of the Naval Reserve Force (NRF) ships and the formation of Shipboard Reinforcing Units (SRU). The NRF ASW platforms are fleet assets under the command of the type commanders, i.e., Commander, Surface Forces Atlantic (SURFLANT) and Commander, Surface Forces Pacific. In 1989, the NRF ASW platforms included 10 KNOX class frigates (FF-1052) and 16 PERRY class frigates (FFG-7). These ships were homeported in Newport, Rhode Island; Philadelphia, Pennsylvania; Charleston, South Carolina; Mayport, Florida; San Francisco, California; Long Beach, California; and San Diego, California.

SELRES members who are not assigned to NRF ships, are assigned to SRU's wherein they drill at the reserve centers and perform Active Duty Training (ACDUTRA) as a unit aboard their gaining command/ship where feasible. SRU's are to mobilize aboard 41 Active Force KNOX class frigates (FF-1052's) and 27 SPRUANCE class destroyers (DD-963). At present, there is an identified requirement for 2,079 enlisted SRU personnel and the Commander, Naval Surface Reserve reports that 1,796, or 86 percent, of the requirement has been filled.

Manning

The current Navy policy for the manning of the NRF ASW platforms is to bring the manning by Active Force personnel to 60 percent of the ship's wartime manning requirements. The remaining 40 percent of the manning requirement is filled by SELRES personnel. The SELRES personnel ordinarily drill one weekend per month aboard ship, either in port or at sea, and annually perform 2 weeks of ACDUTRA aboard ship.

Although the Commander of the Naval Surface Reserve Force "approves" the NRF ship's operating schedule, the NRF ships belong to the Active Force's type commanders who retain overall responsibility for the training and qualification of the NRF crews. The Commander of the Naval Surface Reserve Force has no role in the training and qualification of the SELRES personnel assigned to the NRF ships. On February 1, 1990, there were 3,549 SELRES personnel (343 officers and 3,206 enlisted personnel) assigned to NRF ships. These numbers include SELRES assigned to non-ASW NRF platforms such as 2 amphibious ships (LST's), 3 repair/salvage ships (ARS's), and 18 minesweepers (MSO's).

In addition to the SELRES personnel, the NRF ships are also manned by 178 officers and 1,880 enlisted men from the Training and Administration of Reserve (TAR) force. These TAR personnel are full-time active duty personnel and deemed to be members of the Active Force.

The manning of NRF ships is the number one priority of the Naval Surface Reserve Force. In numbers, the SELRES manning requirement for an FF-1052 is approximately 126 personnel, and for an FFG-7, the requirement is approximately 76 personnel. Criteria for assignment of personnel to an NRF ship include the requirement that the SELRES reside within 100 miles of the ship's homeport.

Procedures for filling an enlisted vacancy aboard an NRF ship require the ship to submit its requirement to 1 of the 16 cognizant Naval Reserve REDCOM regions. The REDCOM screens its local drilling population in accordance with a screening check-

list which excludes those SELRES who have had an NRF assignment during the previous 24 months. The assignment to an NRF ship is for a 36-month period, at the completion of which the SELRES is guaranteed a 24-month shore reserve center assignment. If there are insufficient volunteers for an NRF assignment, the Naval Reserve can order SELRES with obligated service to the NRF assignment.

Enlisted members of the Navy Reserve are categorized as "obligor" or "non-obligor" members. The obligors, by virtue of their enlistment contract, serve on active duty for 3 or 4 years and are expected to serve in the Navy Reserve for a total of 6 or 8 years of combined active/reserve service. A large segment of the Naval Surface Reserve Force is comprised of personnel recruited by the Navy Reserve into its Sea and Air Mariner (SAM) program. This program requires its recruits to complete about 2 months of recruit training (boot camp) and, if qualified, attend a Navy technical school. Upon completion of recruit training and a technical school (approximately 6 months), SAM personnel are released from active duty at which time they are expected to report to a Naval Reserve Center where they will become a SELRES and, as an obligor, complete the 8-year enlistment. However, if SAM personnel, or any other obligors, reside beyond the 100-mile radius of a Naval Reserve Center or NRF ship's homeport, they are transferred to the IRR until the expiration of the enlistment contract.

On February 1, 1990, 18,330 of the 81,143 enlisted members of the Naval Surface Reserve Force were SAM personnel. Navy Reserve officials also reported that 8,772 enlisted members of the IRR were "obligors."

Program Budget Decision 963

The Program Budget Decision (PBD) 963 of April 19, 1989, transfers 24 Active Force FF-1052 class frigates to the NRF. On June 9, 1989, the CNO directed the initial transfer of four FF-1052 class frigates to the NRF in FY 1990. The remaining 20 FF-1052 frigates will be transferred to the NRF in FY 1991 through FY 1993.

Naval Surface Reserve Force officials said the manning of these additional 24 NRF frigates would require 192 SELRES officers and 2,832 SELRES enlisted men. Included in the total number of SELRES enlisted men required are 984 ASW-related rates, Sonar Technicians, Operations Specialists, Gunners Mates, Torpedo Men, Fire Control Men, and Electronic Warfare Men. The Naval Surface Reserve Force officials said they projected a shortfall of 824 SELRES enlisted men, of whom 554, or 67 percent, were in

the above cited ASW rates. The projected shortfall in SELRES officers was not known.

It was noted that the projected manning shortfalls are predicated on the present criteria that a SELRES assigned to an NRF ship must reside within a 100-mile radius of the NRF ship's homeport. In addition to this constraint, it was determined that regional REDCOM boundaries are observed and SELRES to man an NRF frigate are not drawn from outside the regional boundary wherein the NRF frigate is homeported. This appears to be the case even where the NRF ship's homeport is within a 100-mile radius of another regional REDCOM area.

An examination of the Naval Surface Reserve Force's enlisted SELRES personnel data as of December 31, 1989, provided the following:

	<u>Regional Readiness Commands</u>	<u>Enlisted Personnel</u>
# 1	Newport, Rhode Island -----	2,476
# 2	Scotia, New York -----	3,894
# 4	Philadelphia, Pennsylvania -----	3,113
# 5	Ravenna, Ohio -----	5,205
# 6	Washington, D.C. -----	5,036
# 7	Charleston, South Carolina -----	3,284
# 8	Jacksonville, Florida -----	5,226
# 9	Memphis, Tennessee -----	3,953
#10	New Orleans, Louisiana -----	4,559
#11	Dallas, Texas -----	3,099
#13	Great Lakes, Illinois -----	5,123
#16	Minneapolis, Minnesota -----	4,043
#18	Olathe, Kansas -----	4,466
#19	San Diego, California -----	5,957
#20	San Francisco, California -----	4,016
#22	Seattle, Washington -----	<u>3,959</u>
	TOTAL -----	<u>*67,409</u>

*Construction force personnel were excluded from the REDCOM totals.

Because of the REDCOM boundary constraint and the 100-mile radius constraint, only 7 of the 16 REDCOM's have assigned SELRES to the NRF ASW platforms and 38,301 SELRES, by virtue of these constraints, have not been screened for an NRF assignment.

With the transfer of the initial four FF-1052 frigates to the NRF in FY 1990, the Naval Reserve Surface Force is experiencing problems in meeting its manning requirements and has resorted to the creation of "remote detachments" which, in effect, ignore the 100-mile radius constraint but still adhere to the REDCOM boundary constraint. In one instance, the USS HEPBURN (FF-1055) was transferred to the NRF in October 1989 and homeported in San Diego, California. The cognizant REDCOM (Region 19), after screening the male SELRES residing within the 100-mile radius of San Diego, could not provide the requisite personnel. They did identify the necessary SELRES residing within a 100-mile radius of the Reserve Center in Phoenix, Arizona. These SELRES are to be flown to San Diego for a quarterly weekend drill, with the cost of their movement to and from San Diego being borne by the Naval Reserve. Naval Surface Reserve Force officials said that the remote detachments will drill once a quarter aboard their NRF ships, and that the Naval Surface Reserve Force Program Objective Memorandum issue for FY 1992 includes \$3.2 million for remote detachment travel.

Navy Reserve officials were asked to describe the methods used to identify the geographic locations of SELRES and IRR personnel for NRF manning requirements. Although it was claimed that unconstrained demographic studies had been utilized for this purpose, there was no supporting documentation available. Further discussions with these officials indicated that their studies had been constrained to REDCOM boundaries and the 100-mile radius limit. IRR's with obligated service were also excluded from these demographic studies.

At the present time, the Commander, Naval Surface Reserve Force has established a total of eight remote detachments to man NRF frigates homeported in Charleston, South Carolina; Mayport, Florida; Newport, Rhode Island; and Philadelphia, Pennsylvania. As in the case of all NRF manning, only those SELRES within the cognizant REDCOM's, i.e., Regions 1, 4, 7, 8, and 9 are screened for assignment to the NRF ship.

Proposed Base Closings

In January 1990, the Secretary of Defense put forth a proposal to close a number of military bases. Among the bases identified as candidates for closing and having a direct impact on the Navy Reserve's ability to perform its current and projected ASW mission, are the Long Beach Naval Shipyard, the Philadelphia Naval Shipyard, the Philadelphia Naval Station, and the Treasure Island (San Francisco) Naval Station. Currently, these locations are homeports to 15 of the present NRF ASW platforms. The transfer of the additional FF-1052 frigates

includes an additional five FF-1052 frigates slated for homeporting in the above locations.

Prior to the announced base closings, the Commander, Naval Surface Reserve Force, citing an "inadequate Reserve manpower base in areas of their present homeport" had stated that NRF transfers in FY 1992 and later may not be accommodated without homeport changes. The proposed base closings will thus exacerbate the NRF manning problem. Navy Reserve officials advised they have and will recommend homeport changes to the CNO in order to alleviate their NRF manning problem. They declined to provide any documentation to support their assertions. They attributed their declination to provide the requested documents to the "business sensitive" nature of their homeport recommendations.

Training

For the NRF-assigned SELRES, the overall responsibility for the readiness of the NRF ships, including the training and qualification of the SELRES crew members is vested in the type commander. For the SRU's, the type commander provides the platforms for ACDUTRA while the Commander, Naval Surface Reserve Force "provides all training as prescribed."

During visits to Naval Reserve Centers and Readiness Centers there were no ASW-related training devices on hand. There was nothing in use which would provide either static or dynamic training in acoustic analysis. This was equally applicable to those centers potentially involved in NRF SELRES assignments and SRU's with ASW platform mobilization assignments. Navy Reserve officials were unable to display any evidence of type commanders guidance or interest in ASW training of the SELRES personnel.

It was also noted that SRU's could not always perform ACDUTRA as a group aboard the gaining command/ship. Coordination of ACDUTRA time periods for the SRU SELRES, as well as the nonavailability of the ships necessitated sending the SRU members to ACDUTRA as individuals and to other than their designated mobilization ship.

Perishable Skills

The successful conduct of ASW requires a number of skills, e.g., Sonar Technicians (STG), Operations Specialists (OS), Gunners Mates, Torpedo Men, Weapons Technicians, Fire Control Men, and Electronic Warfare Specialists. The most critical rating is that of the STG personnel whose ability to locate and identify undersea targets is paramount.

In the Active Forces, there is a great concern over the highly perishable nature of acoustic analysis skills and the proficiency of its active STG personnel. This concern has generated a program to test the proficiency of the fleet's STG personnel. The testing program began in mid-1989, and to date, about 60 percent of SURFLANT's STG personnel have been tested. The available test data indicates that the acoustic analysis abilities of the tested STG personnel are poor and below the journeyman level. As a result of these findings, SURFLANT has established a Minimum Training Requirement which, among other things, requires each STG to perform a minimum of 20 man hours per month in acoustic analysis. SURFLANT officials also advised regarding SELRES STG personnel:

"If the NEC [Navy Enlisted Classification] is not attainable or maintainable by SELRES in normal drill training time, then the billet will be assigned to an Active Force member."

It was noted that the Navy, in August 1989, announced plans to restructure the enlisted manning of the NRF FF-1052 frigates. Part of the restructuring involved the deletion of five ratings from the TAR program. One of these ratings, OS, completes the removal of all TAR ratings from the ASW group.

Training Devices

The objective of ASW training is to prepare each ASW ship to locate, attack, and destroy enemy submarines in a hostile environment. The most effective method of ASW training is conducted at sea using submarine services. With reduced operations and the nonavailability of submarine services, there is a premium on at-sea ASW training exercises. To counter the shortfalls in at-sea training, the Navy has established shore-based ASW Trainers/Simulators (14A2's) which are reputed to provide the most realistic and complete range of training short of actual engagement of a submarine at sea. Normal practice is for the ASW ships to travel to the Fleet ASW Training Centers (Norfolk or San Diego) once each quarter where they participate in multi-ship and battle group ASW team training using the 14A2's. Participation by SELRES personnel in these team training exercises is almost nonexistent.

Other ASW training devices include the LAMPS Roof Top Trainer which transmits acoustic telemetry signals simulating sonobuoy data. The signals, transmitted from ashore, are

received by the ship's antennae and are processed by the shipboard sonar signal processors. The Roof Top Trainer is used for ASW team training and also for individual acoustic analysis training.

The Operational Readiness Assessment and Training System (ORATS) is also a shipboard ASW training device which, by means of computer tapes, inputs acoustic signals into the ship's sonar signal processor. ORATS is used for ASW team training and individual acoustic analysis training.

Both the Roof Top Trainer and ORATS utilize computer tapes containing 25 ASW scenarios. The use of these tapes does not allow for interaction with the students and, over a period of time, the students become familiar with the redundant scenarios and can anticipate the events within a scenario. As a result, the ORATS and Roof Top Trainers are not highly regarded as training methods by fleet ASW personnel, mainly because they do not provide a dynamic training environment.

To deal with the proficiency levels of individual STG personnel, the Naval Sea Systems Command (NAVSEASYS COM) has procured about 220 Passive Acoustic Display Systems (PADS) which consist of a personnel computer and a library of floppy discs which are designed to depict the acoustic "grams" of various surface and submarine targets. PADS is intended to teach the principles of gram analysis to apprentice level STG personnel. The NAVSEASYS COM officials advised their procurements of 220 PADS have been for use in the school houses, i.e., Fleet ASW Training Centers. They advised that PADS may be upgraded for the intermediate and advanced level STG personnel. The Navy's Surface Ship ASW training program manager indicated that PADS will be going aboard surface ships in the future. PADS costs were reported to be \$1,450 per unit with a one-time cost of software development of \$200,000.

In FY 1987, the Congress provided funding for three ASW On Board Trainers (OBT). The language in the Committee reports cited the value of these devices to the NRF frigates as the most efficacious way to achieve the training of Reserve sonar equipment operators.

The ASW OBT's, known as the SQQ-T1, are a menu-driven device to provide passive and active acoustic training for ASW teams and individual STG personnel. The device can operate with preprogrammed scenarios or on an interactive basis with the instructor selecting from the menu a variety of scenario elements, e.g., ocean areas, sea-states, targets, and course and speed. The SQQ-T1 provides simulated data to the ships sonar

signal processor. At present, only one of the SQQ-T1's is installed on an NRF frigate.

Active Force personnel aboard this frigate considered the SQQ-T1 as a valuable training device for the Active Force's acoustic analysts in the maintenance of their proficiency. These personnel, who advised that none of their SELRES STG personnel were acoustic analysts, did not see the SQQ-T1 as a SELRES training device. In observations of the SQQ-T1 in operation, the ability of the STG crew member to recognize/analyze displayed sonar data would seem to be a significant prerequisite for meaningful training with the SQQ-T1 OBT.

FF-1052 Equipment Requirements

The requirements to improve the ASW capabilities were identified by the Navy and contained in the Warfighting Improvement Program (WIP). The program, as it affected the FF-1052 frigates, covered Programmed Modernization and Recommended Warfighting Upgrades of the ASW, and anti-ship missile defense capabilities of the DD-963, FFG-7, and FF-1052 class ships. In a letter to the Congress dated August 16, 1989, the Secretary of the Navy said the prioritization of the WIP put the FF-1052 class as the lowest priority and noted that it is unlikely the recommended warfighting upgrades for the FF-1052 class can be funded.

The foremost recommended warfighting upgrades for the FF-1052 frigates were identified by the Commander, Naval Surface Force as

- digital electronics upgrades to the hull sonar and underwater battery fire control system,
- full spectrum acoustic processing with torpedo detection,
- an improved towed array (SQR-18 (V) 3),
- link 11 Naval Tactical Data Exchange System,
- CIWS block 1 upgrade, and
- SLQ-32(V)2 SIDEKICK (SSECM).

Interaction With the Active Navy

For those members of the Naval Surface Reserve Force, i.e., those SELRES assigned to NRF ships or SRU's who will mobilize on board ASW platforms, the interaction with the Active Forces is limited to those periods of time when they drill aboard an NRF

ship or perform annual ACDUTRA. During these time periods, their training is supposed to be identical to that of the Active Forces, however, it was suggested that "a SELRES sonarman is not always in the sonar room." The NRF ships, being assets of the type commander, will train with active Navy platforms at-sea during the weekend drills and ACDUTRA periods. Additionally, the NRF ships participate in large scale fleet exercises such as the PACEX held in the second half of 1989. This exercise which was described as the largest assemblage of ships since World War II, ran for 2 months and ranged from San Diego to Alaska, Japan, and Korea. All west coast NRF ships participated and the SELRES furnished 846 enlisted personnel and 24 officers to man the NRF ships. Fleet officials on the basis of "first impression" results immediately after the exercise said they saw no difference between the performance of the NRF ships and the Active Force ships. However, when not on ACDUTRA or weekend drills aboard NRF ships, the interaction between the Navy Reserve and the Active Force was characterized as one of "benign indifference" by the Active Forces.

The Naval Air Reserve Force

The major elements in the Naval Air Reserve Force's ASW mission are the Reserve Patrol Wing Pacific (RESPATWINGPAC) and the Reserve Patrol Wing Atlantic (RESPATWINGLANT) and the Naval Air Reserve ASW Training Center (RATCEN). On February 1, 1990, the Naval Air Reserve Force consisted of 27,385 SELRES personnel (7,868 officers and 19,517 enlisted personnel). SAM SELRES members accounted for 2,845 of the total strength. An undetermined number of the 86,411 members of the IRR are believed to have designators and ratings appropriate to the Naval Air Reserve Force. The Reserve Force Squadrons (RESFORON) air crews and maintenance billets are currently manned by 3,446 SELRES (950 officers and 2,496 enlisted members) and 1,463 TAR personnel (91 officers and 1,372 enlisted members).

The Naval Air Reserve Force's Maritime Patrol Aircraft (MPA) at the end of FY 1989 were organized into two wings (RESPATWINGPAC and RESPATWINGLANT) and consisted of 13 RESFORON's. The RESFORON's, collocated at Naval Air Stations, consisted of the following:

P3-C UIII Aircraft -----	6
P3-B Aircraft -----	81
P3-A Aircraft -----	<u>22</u>
Total P-3 Aircraft -----	<u>109</u>

Manning

The Naval Air Reserve Force does not have regional REDCOM's, but it does adhere to the 100-mile radius constraint in assigning SELRES, with or without obligated service, to the RESFORON's. Nor does the Naval Air Reserve Force engage in the creation of remote detachments. Instead, the Naval Air Reserve Force has pickup sites, as many as 13 for a given RESFORON, where SELRES are picked up by RESFORON or other Naval Air Reserve Force aircraft and flown to their weekend drill sites.

Due to the preponderance of P-3C UHII aircraft in the Active Force (only 2 of the 24 Active Force squadrons were flying P-3B aircraft), the number of P-3B experienced crew members coming into the RESFORON from active duty has been limited. Similarly, the number of Active Force training centers for P-3B-unique crew training had been drastically reduced. As a result, the Naval Air Reserve Force has operated the RATCEN to "grow its own" P-3B crew members.

As noted above, the Secretary of Defense has proposed the closing of a number of military bases. Among the proposed base closings having an impact on the Naval Air Reserve Force RESFORON's are the Detroit Naval Air Facility, Michigan, Naval Air Station Moffett Field, California, and the Naval Air Station, South Weymouth, Massachusetts. While the proposed base closings are not seen as having any significant effect on the members of the P-3 aircraft crews, there is concern that ground crew/maintenance personnel will not be able or willing to follow their RESFORON's to the relocation sites.

Training

In FY 1989, the RATCEN scheduled 37 courses of instruction for a student enrollment of 652. The Naval Reserve provided 422 of these students with the balance coming from the Active Force (173), civilians (41), and foreign governments (16).

The RATCEN courses of instruction for enlisted personnel, the NEC earned, the length of the RATCEN course, and the length of the comparable Active Force course are shown in the following chart:

<u>Course Title</u>	<u>Navy Enlisted Classification</u>	<u>RATCEN Length</u>	<u>Active Force Length</u>
Ordnance Man -----	8271	2 weeks	4 months
Flight Engineer -----	8251	9 weeks	17 weeks
Flight Communicator ----	8265	2 weeks	12-16 weeks
Acoustics Operator -----	7861	9 weeks	19 weeks
Non-Acoustics Operator -	7821	9 weeks	19 weeks

For those courses in excess of 2 weeks (the SELRES ACDUTRA time period), the courses are broken into increments and extend over a 3-year period. RATCEN officials said they cover the same course material as that given by the Active Force, but they accelerate it. They also attribute their shortened course length to the fact that the Active Force students' course of instruction involves in-flight training, whereas the RATCEN students' in-flight training is deferred until he graduates and is assigned to a RESFORON where his in-flight training is carried out.

Concern over the perishable nature of acoustic skills has resulted in the use of ASW Training Improvement Program (AWTIP) tests by the Active Force. These tests began about 3 years ago and are given to Active Force personnel at various stages of their training and upon return from an operational deployment. These tests are similar in purpose to the proficiency tests given to the surface ship STG personnel. Active Force crew members also attend mandatory 1- and 2-week refresher training courses which, due to scheduling problems, are rarely attended by SELRES.

The RESFORON's have followed the Active Force example with the initiation of Diagnostic Testing of RESFORON crew members. The Diagnostic Tests are not as rigorous as the AWTIP's tests, but do demonstrate the concern over SELRES acoustic skill levels and their perishability.

Acoustic training devices, the 14B44 trainer, are installed at each RESFORON site for refresher training of crew members. Although PADS training devices were said to be coming into the RESFORON's, none were found during this investigation.

Program Budget Decision 963

PBD 963 of April 19, 1989, directs the retirement of 73 P-3A/B (30 P-3A and 43 P-3B aircraft) from the Naval Air Reserve Force in FY 1990. The revised Naval Air Reserve Force community will be comprised of 10 RESFORON's of P-3B aircraft with 6 P-3B aircraft per RESFORON. The Naval Air Reserve Force will also

operate three RESFORON's equipped with P-3C aircraft (six aircraft per RESFORON).

Although the PBD 963 directs the reduction in RESFORON's to six aircraft per squadron, Naval Air Reserve Force officials are still uncertain whether or not the Congress may direct the RESFORON's to keep eight aircraft per squadron. They believe that the FY 1990 flying hour funding supports the retention of eight aircraft per RESFORON, but since this funding has not yet been authorized, they are uncertain as to their position.

Senior Navy officials have also said that there is consideration now being given to further drawdowns in the Active Force's P-3 inventory which, if implemented, will replace all of the P-3B aircraft in the Naval Air Reserve Force with P-3C aircraft. As of February 6, 1990, the Naval Air Reserve Force, at the direction of the CNO, has decommissioned 10 P-3A aircraft.

PBD 963 will have a number of other impacts on the Naval Air Reserve Force. Personnel reductions on the basis of 6 aircraft per RESFORON will be about 540 (215 officers and 325 enlisted personnel). A reduction of an additional 300 personnel in the RESFORON's aircraft maintenance billets is also envisioned.

With the advent of the P-3C aircraft in the RESFORON's (and the partial or total replacement of P-3B aircraft), training problems are foreseen. Training devices for P-3C crew members include a P-3C Weapons System Trainer (WST), a P-3C Acoustics Trainer (14B53), and a P-3C Non-Acoustic Trainer (14B40). The estimated costs of these training devices were: WST \$35 million, 14B53 \$3.5 million, and 14B40 \$12.5 million. Naval Air Reserve Force officials advised that the RACEN is supposed to receive a 14B53 from the Naval Air Development Center in 1992, where it has been on loan. A version of the 14B40 was said to be in the FY 1991 budget, but it was described as a "homemade version" of the 14B40 and characterized as a "stop-gap" measure and only suitable for training at the basic level. The WST requirement was said to be in the Navy Training Plan but not in the budget.

While the Active Force has two sets of P-3C training devices (at Jacksonville, Florida, and Moffett Field, California), Naval Air Reserve Force officials do not foresee great success in competing with the Active Force for "trainer time." Navy documents relative to the MPA Drawdown Plan acknowledge the problems vis-a-vis the P-3C UIII trainers, i.e., only two trainers in the fleet will leave the Naval Air Station at Barbers Point, Hawaii, without a trainer during their upgrade to P-3C UIII's and lead to lower air crew readiness.

Equipment Requirements

In FY 1989, the Congress, in the National Guard and Reserve Equipment Appropriation, provided \$55 million for equipment upgrades of the Naval Air Reserve Force's P-3B aircraft. The Committee on Appropriations Report on the Department of Defense Appropriations Bill, 1990, directed the Navy to establish a P-3B modernization program which would include an Electronic Surveillance Method, a Color Weather Radar, a Radar Monitoring System, a 99-Channel Sonobuoy Receiver, and an Improved Acoustic Processor and Display System (IPADS).

IPADS was scheduled to be installed aboard a RESFORON P-3B at the Naval Air Facility, Detroit, and, in March 1990, tested by the Naval Air Test Center (NATC), Patuxant River, Maryland. Navy officials said the NATC would test IPADS for specification compliance and submit a "Quick Look Report" to the Congress in August 1990. It was emphasized that NATC's testing would not be a true technical or operations evaluation.

The IPADS equipment has been removed from the test bed P-3B due to software problems and returned to the manufacturer's plant and its testing at NATC has been moved back to April 1990. At the present time, there is no operational IPADS. The claimed attributes of IPADS were reviewed with Naval Air Reserve Force officials who felt that the 32-channel capability of IPADS would be a positive improvement in a P-3B aircraft's search for targets. However, this capability was not seen as an enhancement to the tracking and localization phases of ASW prosecutions.

IPADS was originally seen as a requirement for 88 systems to be installed on RESFORON P-3B aircraft. With the drawdown set forth in PBD 963, the number of required IPADS has been reduced to 60. If the further drawdowns under consideration are put into effect, the number of IPADS required for RESFORON P-3B aircraft will reduce to zero.

Other equipment requirements for the RESFORON's cited by Naval Air Reserve Force officials included training devices for acoustic and nonacoustic proficiency training. These included the Electronic Warfare On Board Trainer, the Deployable Acoustic Readiness Training System, the Lightweight Electronics Warfare Training System (LEWTS-MOD 2), and the PADS. All of these devices are available to and in use by the Active Force MPA squadrons.

Interaction With
the Active Force

RESFORON's participate in annual training in which Reserve air crews and aircraft augment Active Force MPA squadrons deployed to forward bases in the Atlantic and Pacific theaters. During these training periods, the RESFORON's perform on a par with the Active Forces in the ASW mission area. Because of the equipment limitations of the P-3B aircraft, they do not participate in battle group exercises where a down link and harpoon capability are required. Aside from these annual training periods, the interaction between the RESFORON's and the Active Forces is minimal to nonexistent. The RESFORON's training is a mirror image of the Active Force's but lacks the training devices for maintenance of the sensor skills. Their ability to perform at the level they do is attributed to the ages/maturity and experience level of RESFORON crews. These crews, which are mainly veterans with prior service, measure their time as a crew member in years, e.g., averaging 3 to 7 years, while Active Force crew membership is measured in months.

NAVY RESERVE COMMENTS

I appreciate the opportunity to critique the Surveys and Investigations Staff report dated March 1990. Our review is complete and our comments are provided based on the subtitles in the report.

Introduction:

The mission of the Naval Reserve is to provide trained units and qualified persons available for active duty in time of war or national emergency. Anti-submarine warfare (ASW) is an important, although small, area for which the Naval Reserve provides trained units and personnel for increased surge capability of the Active Forces. As part of that capability, the NRF FFs and FFGs are considered multi-mission capable with the ability to perform many tasks.

Program Budget Decision 963:

The report states that there are 984 ASW-related rates required to man the 24 frigates. This is untrue with regard to "rates" but may be true regarding what the S&IS team considers to be ASW related "billets". These ASW ratings include Sonar Technicians, Operations Specialists, Fire Controlmen, Gunner's Mates, Torpedomen, and Electronic Warfare Technicians. While all of these ratings appear in the SELRES portion of the NRF ship allowance, we believe that only two of these ratings are critical to shipboard ASW, these being Sonar Technicians and Operations Specialists. We also have to keep in mind that in the case of the ship reinforcement units for the active ships, we are talking about a small number of people. The skills required for warfighting are almost entirely resident within the active crew of the USN ship. In the NRF FF-1052 class ship, the number of these ratings is larger than that required for the NRF FFG-7 class.

For illustration purposes, the SELRES Sonar Technician rating billets on USN and NRF ships follow:

USN SHIPS:

<u>Class</u>	<u>Rate</u>	<u>NEC</u>	<u>No</u>
CG-47 (w/SQQ-89)	STG3	0413	1
DD-963 (w/SQQ-89)	STG3	0413	1
FF-1052	STGC	0440	1
	STGSN	0000	1-3

NRF SHIPS:

FFG-7 (w/SQQ-89)	STG2	0465/0450	1
	STG3	0406	1
	STGSN	0406	1
FFG-7 (w/o SQQ-89)	STG2	0440/0450	1
	STG3	0000	1
	STGSN	0000	1
FF-1052 (w/SQR-18A and SQR-17A)	STG1	0467/0450	1
	STG2	0444/0445	1
	STG3	0444	3
	STGSN	0444	3

The Navy Enlisted Classification Codes for the above groups are:

ST-0406 AN/SQQ-89(V)2 Sonar Subsystem Level I Technician
(Operator)
ST-0413 AN/SQQ-89(V)1/3 Sonar Subsystem Level I Technician
(Operator)
ST-0440 Sonar Supervisor
ST-0444 FF-1052 Sonar System Operator
ST-0445 Intermediate Acoustic Analyst
ST-0450 Advanced Acoustic Analyst
ST-0465 AN/SQQ-89(V)2 Sonar Supervisor
ST-0467 FF-1052 Sonar Supervisor

Regarding the concerns expressed in our assignment policies, the initial survey that was conducted in June 1989 to assess our ability to man the increased number of frigates looked only at personnel in sea-going ratings who resided within 100 miles of the ships' homeports. This was done to get a baseline indication of our ability to man the ships. The 100 mile radius refers to the maximum "reasonable commuting distance" for assigning mandatory drilling reservists to any drill site. Volunteers may commute any distance. Through priority manning of NRF ships, any qualified reservist residing within 100 miles of an NRF ship is subject to assignment to the ship, regardless of REDCOM boundaries. Since the initial survey was taken, recruiting efforts have included members of the IRR who reside within the 100 mile radius from the ships' homeports. We are using all resources to the best of our ability to insure that the ships are manned with qualified personnel.

We have used the remote detachment concept for many years. The manning plan for the additional frigates entering the NRF includes sufficient local manning to bring the ship to the same peacetime manning level as a USN frigate. The additional wartime manning is provided by the remote inland detachment. This does two things: it alleviates the strain of trying to man the ships to full wartime manning locally; and it provides billets to inland reservists who will lose billets because of decommissioning of the DDG-2 and DDG-37 class ships.

Training:

SELRES assigned to SRUs receive sufficient quality training through completion of the billet training plan requirements for each individual. The various qualifications will be reinforced during quarterly drills.

Acoustic gram analysis has been a major training issue within Navy for both active and Reserve Sonar Technicians. It is being addressed in the Navy Management Plan for the Surface Ship Acoustic Analysis Program. Under this program, Navy will utilize shore-based acoustic analysis detachments to train both active and Reserve sonar technicians in gram analysis. These personnel will essentially be on shore duty, then will rotate back to either an active or NRF ASW ship for sea duty.

Not only will this program provide for improved proficiency in gram analysis, but it will also be a source for evaluating real world intelligence data.

Perishable Skills:

The percentage of personnel possessing the required acoustic analysis proficiency skill assigned to active personnel on NRF frigates approximates the active reserve manning percentage. For example, on an NRF FF-1052 requiring acoustic analysts, five billets are active and two billets are designated as Selected Reserve billets. On an NRF FFG-7, there are two active billets and one Selected Reserve billet.

COMNAVSURFLANT's minimum training requirements, which require certain Sonar Technicians to perform a minimum of 20 manhours per month in acoustic analysis are valid. In managing our financial resources, we have taken a hard look at certain skills that are mandatory in the active crew. Certain skills, such as the Sonar Technician with an acoustic analysis NEC, are resident in the active portion of the NRF ship crew to provide some warfighting capability and to provide training for SELRES personnel. There are sufficient Active Force acoustic analysis personnel assigned to NRF crews to sustain this skill level and to bring SELRES personnel up to speed in the event of mobilization. The program sponsor, OP-03, has properly used his financial resources by funding the billet split in this skill area between active and SELRES. The ships, both active and NRF, can still meet the requirements of their Projected Operational Environment (POE) and Required Operational Capability (ROC) statements.

As part of our deliberations last summer to plan for the 24 additional frigates, we revisited the shipboard manning split between active and SELRES personnel. Of the five ratings mentioned, only the Operations Specialist (OS) rating was related to ASW. The other four were Boiler Technician, Machinist Mate, Quartermaster and Ship's Serviceman. The rationale for eliminating the OS rating from the TAR program was also influenced by recent reductions in the number of OS shore billets. While the rating had 168 billets, it had only 5 shore billets. Although these ratings were removed from the TAR program, they are still resident in the NRF frigates in the form of active component personnel. The ratings were removed from the TAR program to improve readiness and provide a suitable career progression.

Training Devices:

There have been occasions where an NRF frigate has remained in port during a Naval Reserve Training (NRT) weekend and trained at the Fleet ASW Training Center instead of getting underway. However, the normal rule is for the NRF frigate to get underway every drill weekend unless it is in a maintenance or overhaul period. The SELRES receive sufficient training in all mission areas during the underway drill weekends and the two weeks annual training to sustain their skills.

Shipboard simulators (SBS), located at various readiness centers throughout the country, are used to conduct multi-threat team training which includes ASW. The SBS is a full mock-up of a ship Combat Information Center (CIC).

To date, the Navy has received three AN/SQQ-T1 units. One is installed in USS VALDEZ (FF-1096) and undergoing test and evaluation. The second will be installed on USS BLAKELY (FF-1072) in June 1990 and the third unit will be installed on USS COOK (FF-1083) in July 1990. While these devices are useful in training both the active and SELRES portions of the crew, the Navy would prefer the AN/SQQ-89 Onboard Trainer (OBT). The SQQ-89 OBT provides for significantly greater and better simulation of targets than the SQQ-T1. In addition, SQQ-89 provides for team trainer quality training on board ship for the entire ASW team. The SQQ-89 OBT simulates all sensors involved in ASW. This includes both active and passive sonars and the EW suite. It would cost about the same (\$2M est.) to modify the SQQ-T1 to fit an AN/SQQ-89 ASW system as it would to modify the SQQ-89 OBT to fit an FF-1052. The SQQ-89 OBT can be linked together with other ASW ships and also be used as a pier-side trainer. The SQQ-T1 can only be used aboard the platform in which it is installed. NAVSEA cost estimates for the SQQ-89 OBT modified for the FF-1052 are \$2M in non-recurring (development) costs and \$850K for each unit with another \$230K for spares, installation and training per system. The SQQ-T1 cost is approximately \$525K for each unit with an additional \$201K for spares, installation and training per system. An estimated non-recurring cost of \$2M would be required to modify the SQQ-T1 to simulate active sonar. The bottom line is, for a little more money we get a better (SQQ-89) system that is a complete ASW team trainer and is common throughout the Navy.

FF-1052 Equipment Requirements:

The department's prioritization of the Warfighting Improvement Plan (WIP) put the FF-1052 class as the lowest priority; therefore, future equipment upgrades for the FF-1052 appear questionable.

Interaction with the Active Navy:

The statement that "a SELRES sonarman is not always in the sonar room," is true. Aboard ship, crewmembers, including both active and SELRES, have a variety of assignments and responsibilities including administration, cleaning, maintenance, training and watch standing. These duties are all necessary and relate to SELRES' mobilization training requirements.

The characterization of "benign indifference" inaccurately portrays the role of our Naval Reservists. NRF ship commanding officers and their crews provide the necessary administration and training support for the SELRES crew members on a fulltime basis. The SELRES are integrated into the ship's Watch, Quarter, and Station Bill and there is significant thought and planning directed toward ensuring that the efforts of the SELRES during drill and annual training are productive.

the Naval Air Reserve Force Manning

The Naval Air Reserve Force does adhere to the 100-mile radius constraint in assigning SELRES, but only for those SELRES with obligated service. SELRES volunteers can, and do, exceed the 100-mile radius constraint.

The Naval Air Reserve ASW Training Center has been in existence since 1971. The school serves a variety of purposes. Presently it is training P-3B Mod and P-3C aircrewmembers. We are not doing it to "grow our own;" it is a means by which we stay trained.

The proposed base closings will affect P-3 aircraft crews for the same reasons they will affect the ground crew/maintenance personnel. The relocated training site may exceed the reservists' ability to commute.

Training

The 14B44 acoustic trainers have been installed at every P-3 RESFORON site with the exception of Naval Air Reserve Memphis, TN. These devices provide refresher training to the crew members.

Mr. AuCoin. General Looney, I am sorry that we don't have time to go into questions for the Marine Corps Reserve, as I have to go vote.

Mr. Young and Mr. Livingston have questions they would like answered for the record. In addition, there are several Committee questions to be answered.

Gentlemen, thank you. The committee is adjourned.

[CLERK'S NOTE.—Questions submitted by Mr. Young and the answers thereto follow:]

MARINE CORPS ATTACK HELICOPTERS

Question. General Looney, last year this committee was instrumental in getting funds started to modernize the Marine Corps attack helicopter squadrons for the Marine Reserve. Could you tell us how that program is doing?

MCR Answer. Funding for six AH-1Ws for the Marine Corps Reserve was appropriated but not authorized. Bell Helicopter has signed a letter contract to produce these aircraft. As soon as the funds are authorized and released, the Naval Air Systems Command will proceed with procurement.

Question. How many more AH-1Ws would you need to meet your Reserve requirement?

Answer. Our total requirement for the 4th Marine Aircraft Wing, is for two squadrons of light attack helicopters. The Marine Corps Reserve needs 28 AH-1W's to equip each squadron with 12 aircraft, plus pipeline aircraft. To date, Congress has appropriated funds to procure six aircraft toward that goal.

Question. Where would it (AH-1W) fall on the priority list of Guard and Reserve equipment?

Answer. Our number one aviation priority is completion of our KC-130T procurement. Modernization of the Reserve attack helicopter squadrons follows closely on the heels of that program as our second priority.

[CLERK'S NOTE.—End of questions submitted by Mr. Young. Questions submitted by Mr. Livingston and the answers thereto follow:]

C-130 AIRLIFT

Question. Admiral, as we discussed earlier this week, there is a need for additional C-130s in the Naval Reserve to meet air logistics support needs, and actual requests of our CINCs, in peacetime and wartime. Isn't this so?

NR Answer. Yes, there is a need for a total of 29 C-130s in the Navy to meet operational support airlift requirements as identified by the Center of Naval Analyses (CNA) "DON Organic Airlift Study 1986".

Question. Last year, Admiral Dunn and your predecessor, Admiral Smith, testified that new C-130s were the number one air logistics priority. Isn't it true that the current workhorse, the C-9, is limited in its capacity to carry outsize cargo over long periods, particularly in a mobilization environment?

NR Answer. The C-130 remains my number one air logistic priority. A major advantage of the C-130 aircraft is its tail loading capability. It will allow us to carry larger cargo such as F/A-18 en-

gines, helicopter rotor blades and certain missiles which were too large to be transported in the C-9 Aircraft. In addition, its short field landing and take off capabilities make it an ideal logistic aircraft which meets the CINC's requirements.

Question. Last year, this Subcommittee appropriated funds for 2 C-130s. This year, the President's budget actually includes 2 more, thus underlying the importance of these aircraft.

We talked about where these aircraft will be stationed earlier this week. Admiral Dunleavy testified (and acknowledged) on March 15 before the House Authorization Committee that the first 4 C-130s will be stationed in New Orleans and the second 4, I believe, are planned for West VA. Is this the Navy Reserve's current plan? What is the current plan for stationing C-130s acquired after the first eight?

NR Answer. The Department of the Navy has not approved a siting plan for the C-130 squadrons. A number of sites are under consideration including NAS New Orleans, Martinsburg, West VA, NAS Glenview IL, and Point Mugu, CA.

Question. Provide for the record details on the support needs (O&MNR as well as MILCON) for the first 4 aircraft. Provide a breakdown in funding.

NR Answer. Depending upon requirements generated as a result of site surveys, the first four plane C-130 squadron could cost approximately \$125 million. The breakdown is as follows:

NG&RE:	Millions
4 C-130 aircraft.....	\$89.6
Admin & ILS.....	.3
Tech manuals and data.....	2.0
SHORECAL.....	8.0
"O" Level SE.....	.5
"I" Level SE.....	9.5
Total NG&RE.....	109.9
O&MNR (150 hours a month) (First year).....	1.8
MCNR (HANGAR).....	12.0
RPN (Per year).....	1.7
Total cost.....	125.4

Question. Has the Navy budgeted (thus far) for this aircraft support for 4 C-130s in the FY 92 POM? Specifically, what years?

NR Answer. The support issues for the C-130s are being considered as a part of the POM 92 process which has not been finalized.

Question. What are current plans for requesting the MILCON funding requirements for the first 4 C-130s? Provide details.

NR Answer. If site surveys generated a Military Construction requirement at the first C-130 site, current planning would program a new aircraft hangar in FY 1994 at a cost of approximately \$12.0 million.

AN/SQQ-T1 ASW TRAINER

Question. Admiral, in fiscal year 1987, Congress provided funds to procure three SQQ-T1 LAMPS MK-1 ASW trainers as service test models for the Navy Reserve. What is the status of delivery and installation of these units?

NR Answer. One SQQ-T1 ASW trainer has been installed on USS VALDEZ (FF-1096) and is undergoing evaluation. The second

SQQ-T1 trainer is at the manufacturer (DRS) and will be delivered to Navy in June 1990. Our intention is to install it on USS BLAKEY (FF-1072), homeported in Charleston, SC. The third unit is at the manufacturer undergoing final software testing. Estimated delivery date is July 1990. Installation will be aboard USS COOK (FF-1083), located in San Diego.

Question. The Navy Reserve gave testimony for the FY 1990 budget last year that all Reserve platforms possessing a LAMPS MK-1 ASW system should also possess an embedded training device to support operator proficiency training. It was stated that an on-board ASW training system is essential to maintain crew proficiency.

Since the cost of an AN/SQQ-89 trainer has been estimated by the Navy Reserve to be \$2 million, and considering current DOD budget constraints, doesn't the SQQ-T1 LAMPS MK-1 ASW On-Board Training System represent an adequate and cost effective solution for satisfying the on-board training requirements of ships equipped with the LAMPS MK-1 ASW System?

NR Answer. The cost differential between the two types of trainers is misleading. The SQQ-T1 On-Board Trainer (OBT) has less capabilities than the SQQ-89 OBT and is only a passive ASW trainer. Moreover, the SQQ-89 OBT has other inherent advantages which allow full combat systems ASW team training, linking with other ships underway for multi-ship ASW training and ability to be connected to a pierside trainer inport. It is estimated that alterations to bring the SQQ-T1 OBT up to this capability would make its cost comparable to that of the SQQ-89 system.

I continue to support the Navy's position that there should be one common ASW OBT for both active and Naval Reserve Force ships. Currently the Navy has the SQQ-89 OBT which could be modified to suit NRF FF-1052s. This system has the advantage of being able to offer both active and passive ASW training.

Should the SQQ-89 OBT not be forthcoming for the NRF FF-1052s, the SQQ-T1 could be substituted.

Question. In FY 1990, Congress appropriated \$4.5 million to procure additional AN/SQQ-T1 ASW On-Board Trainers for Navy Reserve FF-1052 class ships. Now that OMB and the Department have withdrawn their deferral of this funding, is it the Navy's intention to obligate these funds?

NR Answer. While OMB and the Department of Defense have withdrawn their deferral of appropriated funding for the AN/SQQ-T1 trainer and other items, guidance has not yet been provided to the Services regarding disposition of those funds—i.e. whether funds will be released for procurement of line items for which originally appropriated, or whether other options are being considered.

While funding for the AN/SQQ-T1 trainer has been appropriated, it has not yet been authorized.

Navy intentions with regard to obligation of these funds cannot be addressed until these issues are resolved.

RESERVE ACTIVITIES IN NEW ORLEANS

Question. Provide for the record the FY88 and FY89 update to the table inserted in last year's 1990 Hearing Record of this subcommittee regarding Marine Corps Activities in the New Orleans area (See Page 512, DoD Appropriations for 1990, Part 3, House Appropriations Subcommittee on Defense).

MCR Answer. The FY 1988 and FY 1989 update for Marine Corps activities is provided below. The Public Affairs Office of COMNAVRESFOR will provide the listing which depicts total Naval and Marine Corps activities in New Orleans.

Command	Fiscal year 1988		Fiscal year 1989	
	Personnel	Payroll	Personnel	Payroll
4th MAW	¹ 387	9,342,208	¹ 459	9,807,318
4th MARDIV	² 674	12,955,821	² 428	10,791,663
H&S Co 3rdBn, 23rd Mar	³ 251	1,617,209	³ 246	1,617,209
Eighth MCD, New Orleans	65	1,873,289	72	1,963,627
MAG 46, Det B	⁴ 328	3,533,601	⁴ 354	4,911,006

¹ Includes 57 drilling Marine Reservists in FY 1988; 175 in FY 1989.

² Includes 231 drilling Marine Reservists and 3 NROTC Midshipmen in FY 1988; 0 in FY 1989.

³ Includes 232 drilling Marine Reservists in FY 1988; 227 in FY 1989.

⁴ Includes 219 drilling Marine Reservists in FY 1988; 219 in FY 1989.

NR Answer. The requested information follows:

FISCAL YEAR 1988 SUMMARY

Command	Personnel	Payroll	Expenditures
COMNAVRESFOR	435	\$14,238,180	\$62,585,604
COMNAVRESFOR	156	4,990,899	743,995
COMNAVRESFOR	121	4,236,706	7,408,306
EPIMAC	320	11,227,000	2,714,000
FSS-1	11	404,055	231,001
MSCUNOLA	8	247,838	106,329
NPPSDO, NOLA	27	629,000	3,310,600
NAVRESFPC	153	3,474,000	3,325,000
NAVRESFPCEN	468	9,302,159	3,394,962
NAVAIRLOGOFF	58	1,715,990	220,100
NAVCRUITDIST New Orleans	135	3,230,627	682,249
NARDAC	193	5,478,579	6,322,519
FOURTH MAW	281	10,178,671	505,038
FOURTH MARDIV	368	6,505,152	532,167
NAVBIODYNLAB	81	2,253,658	2,643,000
NAVRESREDCEN New Orleans	¹ 624	2,874,215	119,721
H&S CO. 3D BTN 23D	² 207	391,400	40,000
NROTC TULANE	³ 160	415,163	1,537,000
NAVSUPPACT New Orleans	876	15,777,399	12,558,665
CCPO New Orleans	51	1,342,000	146,258
NAVINSERVREGO	13	308,503	34,406
NAVLEGSCOFFDET	5	125,859	200,500
NAVRESREDCOMREGTEN	⁴ 81	1,501,865	900,000
NAVMECLINIC New Orleans	119	3,258,280	1,210,700
PERSUPPACT	134	2,549,207	144,000
OICC/ROICC	12	36,110	11,000,000
SPECBOATU Two Two	⁵ 229	675,000	1,428,000
SUPSHIP	200	6,027,681	590,000,000
Eighth MCD New Orleans LA	65	1,573,289	568,711
NAS New Orleans	⁶ 2,135	14,200,000	10,310,598
NAVOCEANCOMDET	9	244,125	9,817
MAG Four Six Det Bravo	⁷ 342	2,99,311	241,084

FISCAL YEAR 1988 SUMMARY—Continued

Command	Personnel	Payroll	Expenditures
Total.....	8,077	132,572,921	725,174,330

- ¹ Includes 602 drilling Naval Reservists.
² Includes 185 drilling Marine Reservists.
³ Includes 150 NROTC Midshipmen.
⁴ Includes 32 drilling Naval Reservists.
⁵ Includes 184 drilling Naval Reservists.
⁶ Includes 1,178 drilling Naval Reservists.
⁷ Includes 204 drilling Marine Reservists.

FISCAL YEAR 1989 SUMMARY

Command	Personnel	Payroll	Expenditures
COMNAVRESFOR	439	14,528,551	55,656,200
COMNAVAIRESFOR	152	4,896,284	863,357
COMNAVSURFRESFOR	122	4,315,680	6,438,700
EPMAC	354	9,737,822	2,808,469
FSS-1	13	359,547	192,400
MSCUNOLA	10	355,893	266,080
NPPSDO NOLA	30	629,000	3,732,017
NAVRESFIPC	189	3,764,955	125,000
NAVRESPERSCEN	475	9,739,754	6,309,958
NAVIAIRLOGOFF	60	1,693,952	293,027
NAVCUITDIST New Orleans	175	3,876,752	784,586
NARDAC	156	4,481,300	7,009,109
FOURTH MAW	¹ 387	9,342,208	796,000
FOURTH MARDIV	² 674	12,955,821	200,173
NAVBIODYNLAB	63	2,322,825	2,951,000
NAVMARCORPSRESREDCEN	³ 574	2,799,756	191,014
H&S CO 3D BTN 23D	⁴ 251	1,617,209	131,110
NROTC TULANE	⁵ 141	524,264	1,347,600
NAVSUPPACT New Orleans	⁶ 914	12,961,785	9,506,346
CCPO New Orleans	49	1,392,862	173,800
NAVINESERVRA	13	286,511	25,552
NAVLEGSVCOFFDET	6	201,150	165,655
NAVRESREDCOMREGTEN	⁷ 107	2,238,044	656,300
NAVMEDCLINIC New Orleans	111	4,442,627	1,368,636
PERSUPPACT	141	3,027,639	132,282
OICC/ROICC	12	343,578	13,000,000
SPECBOATU Two Two	⁸ 217	1,777,167	1,110,700
SUPSHIP	270	8,360,478	499,205,376
EIGHTH MCD New Orleans	72	1,963,627	671,408
NAS New Orleans	⁹ 2,769	29,422,324	8,909,776
NAVOCEANCOMDET	12	297,777	14,100
MAG Four Six Det B	¹⁰ 328	3,533,601	1,341,500
Total	9,286	158,190,743	626,377,231

- ¹ Includes 57 drilling Marine Reservists.
² Includes 231 drilling Marine Reservists and 3 NROTC Midshipmen.
³ Includes 543 drilling Naval Reservists.
⁴ Includes 232 drilling Marine Reservists.
⁵ Includes 130 NROTC Midshipmen.
⁶ Includes 134 drilling Naval Reservists (Mgmt. Schl. Students).
⁷ Includes 36 drilling Naval Reservists.
⁸ Includes 171 drilling Naval Reservists.
⁹ Includes 1318 drilling Naval Reservists.
¹⁰ Includes 219 drilling Naval Reservists.

Question. What changes in functions, commands, command structures, and number of billets (civilian and military) are being implemented in Marine Corps Reserve Activities in the New Orleans area in FY 1990? What is planned for FY 1991? Provide details and summaries of actions for both years.

MCR Answer. The Marine Corps Reserve had no changes in the New Orleans area in FY 1990. We anticipate no changes during FY 1991.

NR Answer. Naval Reserve Commands in the New Orleans area are either scheduled for, or currently undergoing a SECNAV/OPNAV mandated Efficiency Review (ER) to determine Most Efficient Organizations (MEO). These Efficiency Reviews were begun in February 1989 and are scheduled for completion no later than 30 September of this year.

As a consequence of these reviews, there will certainly some internal structural changes and billet migrations within the various commands; however, to speculate on those changes prior to completion and OPNAV approval of the ERs could result in premature and inaccurate data.

Should New Orleans be selected for the initial siting of C-130T's, a new command with supporting manning requirements could be commissioned in FY 1991. Once again, however, required studies have not been completed, and the formulation of this new command remains simply a proposal.

Question. General Looney, in FY 1982 Congress initiated a Marine Corps Reserve KC-130 modernization program. How many more KC-130s do you need to finish the Modernization program?

MCR Answer. The Marine Corps Reserve requires an additional eight aircraft to finish the modernization program. This includes the one aircraft identified within the National Guard and Reserve Equipment (NGRE) appropriation in the FY 1991 President's budget. Since FY 1982, sixteen aircraft have been received, with four more on order. The total requirement for KC-130T's in the Marine Corps Reserve is 28; two squadrons of 12 aircraft each plus pipeline.

Question. I understand the Air Force Reserve and Air National Guard C-130 units are planning to install defensive systems on their aircraft. Do you require these systems on your KC-130s?

MCR Answer. Yes. Electronic Warfare Counter-measures (EWCM), are one of the most pressing defensive system requirements needed to modernize our KC-130T's. The KC-130T must have protection against surface-to-air and air-to-air threats that will be encountered during routine and special operations. The defensive systems for the Marine Corps Reserve KC-130 aircraft are the same systems being installed on the Air Force Reserve and Air National Guard aircraft. These systems will provide greatly increased survivability and effectiveness for a very modest investment.

Question. What role do you see your KC-130 units playing in the drug interdiction effort?

MCR Answer. We are firmly committed to continued support of the counternarcotics effort, and our KC-130s are an important part of that effort. The primary role of our KC-130T's in the drug interdiction effort has been support type missions, specifically flights in Support of Deployed Units.

[CLERK'S NOTE.—End of questions submitted by Mr. Livingston. Committee questions submitted for the record and the answers thereto follow:]

TOTAL FORCE

Question. A General Accounting Office (GAO) report entitled *DOD Guidance Needed on Assigning Roles to Reserves Under the Total Force Policy* states that criteria used by the services in decision-making to be largely informal in nature and there were no clearly established parameters for the use of the reserves. The report further states that decision on the use of reserve components usually occur as by-products of the overall force structure decision-making under planning, programming, and budgeting processes in each service. Admiral Taylor, do you agree with this assessment?

NR Answer. I agree with the Navy's response to those findings. The view of the GAO that our force mix decisions are secondary products of the planning, programming and budgeting process is inaccurate. Our goal has been, and continues to be, to maintain an active force sufficient to meet its normal peacetime commitments, reinforced by a Reserve component that is trained and equipped to make up the difference needed to meet wartime requirements. That planning effort is integral to the PPBS process. Our current Total Force Report contains an excellent description of the Navy process and the criteria used in making force mix decisions. I will ensure that the Committee receives a copy of that description.

MCR Answer. No, I do not agree with this assessment. Total Force requirements are critically examined biennially as a formal and comprehensive component of the Planning, Programming and Budgeting System (PPBS) process. Force structure analyses are documented in approved master plans that cover every aspect of the Corps. These plans incorporate a Total Force approach to structure and manpower requirements. Structure and manning reviews are conducted at both the Headquarters Marine Corps and field levels. Proposals and plans emanating from this process are extensively documented. The criteria for decisions include rotation base, responsiveness, reserve accessions and demographics, and force projection/forward deployed force requirements. Ultimately specific proposals for change are subjected to rigorous and computer-assisted systems analysis, costing and prioritization. The costs and merits of each proposal are briefed before a series of hierarchical committees of the senior leadership of the Marine Corps. Ultimately the original proposal is documented and approved or disapproved by the Commandant of the Marine Corps. This procedure assures that the structure and related manpower requirements support the national strategy within allocated resource levels.

Question. GAO recommended that force mix decisions should be made using criteria that addresses cost, force capability, training and recruiting requirements and personnel availability. Admiral Taylor, are Navy force mix decisions based on the above criteria?

NR Answer. Yes. Navy force mix decisions are based upon the criteria recommended by GAO, among others. Navy has a long history of strongly supporting the Total Force. I am convinced we have a sound Total Force Policy which fully addresses all aspects of force mix decisions. Examples of criteria addressed during force mix decisions are: Total Force requirements, availability of equipment, readiness impacts, availability of the units to meet Fleet

CINCS requirements short of mobilization, impact on OPTEMPO and PERSTEMPO, etc.

Our current Total Force Report contains an excellent description of the Navy process and the criteria used in making force mix decisions. I will ensure that the Committee receives a copy of that description.

MCR Answer. The Marine Corps force mix decisions are indeed based upon all of those criteria mentioned.

Question. Section 1101 of the National Defense Authorization Act, 1990, requests a total force mix study. Admiral Taylor, what input have you had in this study?

NR Answer. I can tell you that the Total Force Mix Study is one of our top priorities. I am a member of the Total Force Policy Study Group, personally attend meetings and will continue to provide input. In addition, I have appointed a SELRES 0-6 to serve full-time on the staff during the study process. A lot depends on the quality and substance of this effort and you can be assured that the results will reflect our best effort.

MCR Answer. As the Assistant Deputy Chief of Staff for Manpower and Reserve Affairs for Reserve Affairs, I have been assigned as a permanent member of the Total Force Mix Study steering committee. Further, I coordinate all Marine Corps input to the Total Force Mix study group as a senior member of a support group established to provide Marine Corps input to the study.

Question. The services have requested reprogramming authority to offset the effects of sequestration on their military personnel accounts. Admiral Taylor, why didn't the Navy Reserve request such a reprogramming? What impact did sequestration have on the ability of the Navy Reserve to meet its commitments?

NR Answer. The RPN share of the FY 1990 sequestration was \$10.6 million. This requirement was absorbed by reducing full-time support workyears (including Active Duty for Special Work), mobilization training, training travel and enlistment/reenlistment bonus programs. Reprogramming actions to bring additional funds into RPN were not initiated. Such actions would have worked additional hardships on the other Reserve accounts which would have had to absorb additional reductions in order to fund any RPM reprogramming.

MCR Answer. We felt with an adjustment to our manpower plan we could make the necessary changes to offset the effects of sequestration. This adjustment reduced the manpower available for operational training and mobilization; however, it allowed the Marine Corps Reserve to meet its commitments.

USE OF 673 (b) AUTHORITY

Question. Last year, the Committee expressed concern that recall authority contained in 10 USC 673(b) was not used to man the reserve ships sent to the Persian Gulf. Do you believe that this authority should have been used? Why? Why not?

NR Answer. Since I was not involved in that issue and am not knowledgeable regarding the factors affecting that decision my answer would be purely speculative. In evaluating whether or not to recommend the use of 10 USC 673b, many factors must be con-

sidered. The advantages of an involuntary recall such as crew integrity and the positive effect such a call to duty would have had on those crew members must be considered. In addition, those issues must be balanced against others, such as whether we could accomplish the mission with volunteers, and whether the decision would send the wrong signal, e.g., over-escalation.

It's a hard call. However, if asked today, given the current environment in that region. I would lean toward the use of involuntary recall.

SURFACE SHIPS

Question. Reservists assigned to a NRF ship must reside within a 100-mile radius of the NRF's homeport. Readiness Command (REDCOM) boundaries of the homeport are also observed. Even if the NRF's ship homeport is within a 100 mile radius of another regional REDCOM, personnel with the right skills cannot be drawn from it. Since manning NRF ships is so difficult, why does the Navy Reserve adhere to so rigid a policy concerning geographic boundaries?

NR Answer. Reservists assigned to NRF ships are not required to live within a 100 mile radius of the ship homeport. The 100 mile radius refers to the maximum "reasonable commuting distance" for assigning mandatory drilling reservists to any drill site. Volunteers may commute any distance. In addition, Readiness Command geographic boundaries are not strictly observed. Through priority manning of NRF ships, any qualified Reservist residing within 100 miles of an NRF ship is subject to assignment to the ship regardless of REDCOM boundaries.

Question. In addition, IRR personnel with obligated service are also excluded from demographic studies on NRF manning requirements and the locations of skilled selected reservists and IRR personnel. Wouldn't it make sense to survey a broader base to insure that there are sufficient and qualified reservists to man the NRF ships?

NR Answer. In the initial surveys to determine how well we could man the frigates, we looked only at SELRES who were currently affiliated and drilling in the Naval Reserves. Our recruiters now aggressively seek out IRR members for reaffiliation with the SELRES and the NRF ships. We are using all resources to the best of our ability to ensure that the ships are manned with qualified personnel.

FF-1052 SHIPS

Question. Twenty-four FF-1052 ships will be transferred to the Naval Reserve by FY 1993. Four are being transferred in FY 1990. What is the status of the transfers of these four ships?

NR Answer. Two ships transferred to the NRF at San Diego on 1 October 1989. The additional two ships will transfer on 30 September 1990, one at Mayport, FL and the other at Norfolk, VA. Initial manning of the first two ships and the precrews for the second two ships is good with over 79 percent SELRES manning in each case.

Question. Last year, \$4.5 million was appropriated to procure additional AN/SQQ-T1 ASW on-board trainers for these ships. These

funds were included on the deferral list. What is the status of procurement of these on-board trainers since OMB has withdrawn these deferrals?

NR Answer. Although OMB has withdrawn its deferral, the money has not been made available to Navy.

Question. Navy Reserve projects a shortfall of its ability to man the 24 FF-1052 frigates. Therefore, the Naval Surface Reserve Force has begun transporting "remote detachments" of reservists from inland Reserve Centers to NRF homeports. These remote detachments are scheduled to drill quarterly, rather than monthly. Do you believe that these reservists will receive sufficient quality training to be able to man the ships upon mobilization? How?

How much is included in the FY 1991 budget for training of these remote detachments?

NR Answer. We have used the remote detachment concept for many years. The manning concept for the additional frigates being programmed for the NRF includes sufficient local manning to bring the ship to its normal peacetime complement, with the additional wartime manning to be provided by the remote detachment inland. This does two things; it alleviates the strain in trying to man the ships to full wartime manning locally, and it provides billets to inland reservists.

Sufficient quality training will be provided through completion of the billet training plan requirements for each individual. The various qualifications will be reinforced during quarterly drills. Training costs in FY 1991 are estimated to be \$1.4 million for travel associated with damage control and firefighting hands-on training. The FY 1991 budget is adequate to meet the training costs.

Question. The Surface Active Forces has established Minimum Training Requirements (MTR) to maintain acoustic analysis proficiency of its sonarmen. The MTR exceeds the amount of drill time required of a reservist. Navy policy is that if reservists cannot maintain the skill level, the billet will be assigned to active force members. What percentage of the required skill must be assigned to active personnel?

NR Answer. The percentage of the required acoustic analysis proficiency skill assigned to active personnel on NRF frigates approximates the active/reserve manning percentage. For example, on an NRF FF-1052, of the 7 sonarmen billets requiring acoustic analysis, 5 are active and 2 designated as Selected Reserve billets. On an NRF FFG7, there are 2 active and 1 Selected Reserve billet. Acoustic gram analysis has been a major training issue within Navy for both active and Reserve sonar technicians. It is being addressed in the new Navy Management Plan for the Surface Ship Acoustic Analysis Program. Under this plan, Navy will utilize shore-based acoustic analysis detachments to train both active and Reserve sonar technicians in gram analysis. These personnel will essentially be on shore duty, then will rotate back to either an active/NRF ASW ship for sea duty. Not only will this program provide for improved proficiency in gram analysis, but it will also be a source for evaluating real world intelligence data.

Question. The bottom line in all these questions, is why transfer the ships to the Navy Reserve if they will have to be manned by

active personnel anyway? Where does the savings come into the picture?

NR Answer. Anti-submarine warfare is Navy's number one mission area. Transferring frigates to the Naval Reserve provides not only ASW assets in the event of war, but also an ASW surge capability for contingencies short of mobilization.

The frigates being transferred to the Naval Reserve Force will result in a 10 percent savings over an active ship of the same class. Savings are derived from reduced active manning as 60 percent of the crew is active and 40 percent is Selected Reserve. In addition, further savings result from reduced operating tempo.

P-3 AIRCRAFT

Question. For the record, provide the status of the \$12.5 million set aside for the procurement of color weather radar and improved ESM for the P-3Bs.

NR Answer. The color weather radar ECP was approved by NAVAIR in March with the first installation scheduled for September 1991. The ECP for the ESM will be submitted to NAVAIR in May 1990.

Question. For the record, provide the status of the IPADS test. When do you expect the technical evaluation on the IPADS system will be completed? Do you think the August 31, 1990, reporting deadline will be met?

NR Answer. The IPADS test aircraft is scheduled to fly on 11 May 90 at which time custody of the aircraft will transfer to the Naval Air Test Center. The technical evaluation will commence the following week and the testing should be completed by the 31 August 90 Congressional deadline.

Question. Also, for the record, provide what is included in the FY 1991 budget for training devices for P-3C crews. What shortfall will this alleviate?

NR Answer. There is no provision in the FY 1991 budget for training devices for Reserve P-3C crews.

SPECIAL OPERATIONS FORCES

Question. The FY 1991 budget transfers the Special Operations Forces in the reserve components to a separate appropriation. Admiral Taylor, do you support the transfer of the Operation and Maintenance funds which support the reserve component Special Operations Forces to a special appropriation.

NR Answer. I agree with the transfer of the Operation and Maintenance funds which support the reserve component Special Operations Forces to a special appropriation.

Question. Do you retain control over your reserve forces?

NR Answer. My relationship with Special Warfare Reserve Units is similar to the relationship that I have with the NRF ships. The Naval Reserve provides personnel to fill vacant billets. The active duty type commander, Naval Special Warfare Command, is responsible for the readiness and training of these personnel which man special boat units and SEAL Teams.

Question. How can you be sure that the funds will be transferred back to you in a timely manner? Or that some of the funds will not be held back to support any unforeseen contingency?

NR Answer. Since I am not responsible for the readiness or training of special warfare Reserve units, it is unlikely that any funds will be transferred to me. If funds are held back, readiness of the units would probably be degraded.

Question. General Looney, does the Marine Corps Reserve have Special Operations Forces personnel? If so, why doesn't the backup material show any transfer?

MCR Answer. The Marine Corps Reserve does not have units designated for Special Operations.

DRUG INTERDICTION

Question. What specific drug interdiction actions have you performed so far this year, and please include planning functions as well as operational activities?

NR Answer. We have continued to increase our efforts with significantly greater involvement during the first quarter of FY 1990.

In FY 1988 the Naval Air Reserve flew 432 hours in support of drug interdiction and in FY 1989 our participation increased to 1,036 hours. In the first quarter of FY 1990 we are ahead of last year's pace by 54 percent.

NRF ships spent 459 "steaming days" in drug detection operations in FY 1989—22 percent of the total contribution of the surface Navy. Already in the first quarter of the current fiscal year (1990), NRF ships have equalled the total number of days steamed in FY 1988.

Additionally, in FY 1989 the Naval Reserve provided 1,792 man-days of support to the Joint Task Force commanders and in other planning functions. During the first two quarters of FY 1990, 2,455 mandays of intelligence support have been provided.

We have also responded to the "Campaign Drug Free" initiative of the former DASN(RA) in which Reservists *voluntarily* speak to 5th and 6th grade students on drug avoidance.

MCR Answer. Personnel from the 4th Marine Aircraft Wing have manned a radar site in the Caribbean and participated in air operations along the Southwest U.S. border. Units from our 4th Reconnaissance Battalion have conducted joint training and surveillance operations with Federal law enforcement agencies, and in support of Operation Alliance and Joint Task Force 6, along the Southwest border.

Question. Do you get meaningful training out of your participation?

NR Answer. Although we do not receive primary mission training during drug operations, we do get meaningful training in a secondary mission area, that of surface surveillance.

MCR Answer. Reserve units participating in drug interdiction efforts (4th Marine Aircraft Wing radar personnel and 4th Reconnaissance Battalion) receive meaningful training from their partici-

pation. These activities are exactly the types of tasks performed during normal Annual Training periods. The 4th Reconnaissance Battalion conducted surveillance activities along the Southwest U.S. border in conjunction with appropriate law enforcement agencies. This type of surveillance is inherent in their reconnaissance mission. So as you can see, our Reserve units are participating in drug interdiction activities commensurate with their unit's wartime mission. Reserve participation has provided a cost effective means of assisting in the counternarcotics effort while providing Reservists with excellent mission-oriented training opportunities. Participation currently, however, requires the expenditure of Reserve Component personnel funding that has been budgeted to support annual training and inactive duty training. Reserve participation in counternarcotics activities does provide excellent training opportunities while performing a social benefit. Reimbursement of Reserve personnel pay and allowances for that participation would allow increased utilization of Reserve components' assets and capabilities in the crusade against illegal drugs.

Question. The FY 1991 budget transfers drug interdiction funds from the reserve appropriations to a separate appropriation. Do you have any reservations about budgeting for reserve component involvement in a separate appropriation?

NR Answer. I am concerned because the Naval Reserve is not directly involved in the budgeting process for the separate appropriation. Prior to this transfer the Naval Reserve was involved in budgeting for flying hours in support of Drug Interdiction. Steaming days were budgeted for by the Active Navy and the Naval Reserve was reimbursed for participation. After the transfer, total budgeting responsibility is at the OSD level with only limited Navy participation.

MCR Answer. We have no reservations provided that we are allocated sufficient funding to support reserve components in drug interdiction operations.

Question. Do you retain control over your funds and personnel?

NR Answer. Control over personnel remains with the chief of Naval Reserve; however, control over funds resides with OSD.

MCR Answer. As the Assistant Deputy Chief of Staff for Manpower and Reserve Affairs for Reserve Affairs I retain administrative and fiscal control for the Marine Corps Reserve. The Commandant retains operational control over the Marine Corps Reserve.

Question. How can you be sure that the funds will be transferred back to you in a timely manner? Or that some of the funds will not be held back to support any unforeseen contingency?

NR Answer. It must be remembered that Naval Reserve involvement in Department of Defense Drug Interdiction Activities is not the exclusive responsibility of the Naval Reserve; but, rather is centrally managed by the Office of the Secretary of Defense. Funding for drug enforcement operations will be provided by the De-

partment of Defense centrally managed appropriation on a reimbursable basis as well as Department of Defense direct funding.

MCR Answer. As with any change in procedure it is not uncommon to undergo an adjustment or break-in period. This year we experienced some difficulty in achieving the initial transfer of \$855,000 which was intended for the Reserves. We believe we have accomplished the appropriate liaison and coordination to insure that future transfers will occur in a more timely fashion. Timely approvals of the reprogramming requests at all levels would facilitate the transfers. At our level we have no means to ensure that those funds will not be used to support unforeseen contingencies.

OPERATION AND MAINTENANCE

Question. Admiral Taylor, the Navy Reserve fiscal year 1991 Operation and Maintenance request is almost \$1 billion, which reflects a decrease in program growth. What impact does decreased negative growth have on your ability to perform the mission? Provide the details on these changes for the record.

NR Answer. The fiscal year 1991 funding level will allow the Naval Reserve to continue to support a ship operating tempo of 21 days per quarter; a primary mission readiness of 87 percent for Naval Air Reserve; and continue to support required maintenance of ships and aircraft, and operation of special combat support and operational forces.

The negative program growth is due largely to the transfer of ship and aircraft modernization funding to the procurement appropriations (\$85.0 million).

Question. What are your high priority unfunded O&M requirements?

NR Answer. The fiscal year 1991 President's Budget represents a balanced program which adequately funds the Naval Reserve. However, there are always needs which are not funded because of limited resources available. If additional funds were available, examples of high priority unfunded requirements are:

(a) Executable Aircraft Depot Maintenance Backlog: \$61.5 million. The executable backlog forces aircraft into a "non-availability" status while awaiting rework. The resulting impact is a reduced number of aircraft available for readiness training, thus causing a degradation in readiness.

(b) Maintenance of Real Property (MRP) backlog: \$112.0 million. The MRP backlog represents non-deferrable maintenance and repair work which has an immediate adverse economic impact because deferral causes accelerated deterioration of facilities, which impacts a unit's mission readiness.

Question. General Looney, the Marine Corps Reserve fiscal year 1991 Operation and Maintenance request is \$86 million, which reflects real growth of one percent. What impact does this low rate of real growth have on your ability to perform the mission?

MCR Answer. A real growth of one percent, which was attained in the Operation and Maintenance Marine Corps Reserve appro-

priation in the FY91 Budget, does not hamper our ability to accomplish the mission. In the outyears we must increase the level of real growth. Otherwise this level of funding will not support our facilities repair projects, thereby increasing our Backlog of Maintenance and Repair (BMAR) as minor construction and facilities maintenance would normally be one of the first programs to suffer budget reductions.

Question. What are your high priority unfunded O&M requirements?

MCR Answer. We are fully funded in the FY 1990-91 President's Budget, which we support. However, assistance to continue procurement of new cold weather items as we enter the next phase of our acquisition objective to fully outfit 9,000 of our 36,000 drilling reservists with appropriate cold weather items would be beneficial.

Another underfunded item is minor construction/repair for our reserve centers. Our aging facilities need to remain environmentally sound and habitable.

Question. For the record, Admiral Taylor, would you provide a breakout of how you utilized the excess funds transferred from the Defense Appropriations Act, 1990.

NR Answer. The Fiscal Year 1990 Defense Stock Fund transfer has been used to fully fund the 3.6% civilian pay raise, revise program adjustments to recruiting and advertising, fund \$18.0 million of Real Property maintenance, environmental initiatives, and correct a civilian personnel shortfall.

EQUIPMENT

Question. The Committee notices that the reserve components have requested funds in the dedicated reserve/guard equipment account for the first time. Do you believe that this is a good idea?

NR Answer. The jury is still out on that question. While having a separate NG&RE account could be construed to have some advantages, the Naval Reserve remains a part of the Navy Total Force. I believe Navy is responsible for supporting the Naval Reserve through the PPBS process. Horizontal Integration is working, as demonstrated by the front line ships, aircraft, and other equipment on hand and projected in the budget. Naval Reserve POM/budget requirements, presented and defended by Reserve leaders, should compete for resources alongside active requirements.

MCR Answer. For the FY91 President's Budget, the Marine Corps Reserve was apportioned \$25 million in the reserve/guard account for one KC-130T. We believe that for future budget submissions this structured approach to identifying reserve/guard requirements using detailed justification material will more readily highlight and justify those needs.

Question. Do you feel your component receives its fair share of the active component equipment commensurate with the deployability of the unit?

NR Answer. Yes, Naval Reserve commissioned units are well supported under the Navy's process of Horizontal Integration. The Naval Reserve also has many units of trained and qualified personnel which have no organic equipment requirements. These units

train on the equipment at their active component gaining command to which they would be assigned upon mobilization.

MCR Answer. Yes. Equipment acquisition is an integral part of the Marine Corps implementation of the Total Force Policy. All of our equipment acquisition objectives include Active and Reserve requirements concurrently, including initial issue quantities and planned sustainability for reserve units which would deploy by M+30. This single acquisition objective facilitates modernization of the Reserve and places continual attention upon achieving and maintaining a single equipment inventory, ensuring organizational integrity, maintenance compatibility, single generation supply support and battlefield interoperability.

Question. Admiral Taylor, the Navy Reserve requested \$60.4 million in the dedicated procurement account and the P-1R shows that the Navy is proposing \$119 million for the NR. What percentage of the shortfall will this alleviate?

NR Answer. The fiscal year 1991 President's budget contains \$119 million in the P-1R and \$60.4 million in the dedicated procurement account for procurement and modification of equipment for the Naval Reserve. This will alleviate approximately 28% of the Naval Reserve equipment shortfall for FY 1991. This shortfall reflects major end items, modifications and miscellaneous equipment identified for procurement in the budget. It also includes additional equipment to enhance Naval Reserve operational capability and fleet inter-operability in the areas of ASW, attack aircraft, logistics airlift, and will enhance the mobilization readiness of other hardware units.

Question. How much of this amount is in support of the Marine Corps reserve?

MCR Answer. \$8.3 million in Aircraft Procurement, Navy is identified in the P-1R for Marine Corps Reserve aircraft modifications.

Question. Admiral Taylor, what are the Naval Reserve high priority unfunded procurement items?

NR Answer. Facing an uncertain future makes it difficult to identify requirements that may warrant consideration over and above those within the Navy budget. It is, however, my hope and expectation that the gains made to date and those still needed in areas such as the LAMPS upgrade (SH-2G), the ongoing equipment needs of the MIUW program and the HH-60H upgrades will be recognized, evaluated as priorities, and supported.

Question. General Looney, the Marine Corps Reserve requested \$25 million in the dedicated procurement account and the P-1R shows that the Marine Corps is proposing \$35 million for Marine Corps Reserve use. What percentage of the shortfall will this alleviate?

MCR Answer. The dedicated procurement account request of \$25 million will support the acquisition of an additional KC-130T aircraft. On a percentage basis, this will satisfy almost 13 percent of our current requirement for eight additional KC-130T aircraft. The \$35 million for Marine Corps Reserve use is for various ground equipment procured by the Procurement Marine Corps appropriation. On a percentage basis, this will satisfy 29 percent of our total

requirement in the six year defense plan for new ground equipment in support of the Marine Corps Reserve.

Question. General Looney, what are the Marine Corps Reserve high priority unfunded procurement items?

MCR Answer. The KC-130T and AH-1W are a continuing priority as part of our Reserve Air Wing modernization effort. We also have various training and electronic equipment deficiencies.

[CLERK'S NOTE.—End of questions submitted for the record.]

TUESDAY, MARCH 20, 1990.

RESERVE ENLISTED PERSONNEL ISSUES

WITNESSES

COMMAND MASTER CHIEF LARRY D. RHEA, SENIOR ENLISTED ADVISOR
TO THE ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS
COMMAND SERGEANT MAJOR DOUGLAS E. MURRAY, SENIOR ENLISTED
ADVISOR TO THE CHIEF OF ARMY RESERVE

COMMAND SERGEANT MAJOR G. STEVEN BLACKWOOD, SENIOR ENLISTED
ADVISOR TO THE DIRECTOR OF THE ARMY NATIONAL GUARD

FORCE MASTER CHIEF JEFFREY A. BRODY, SENIOR ENLISTED ADVISOR,
NAVY RESERVE AFFAIRS

SERGEANT MAJOR E.L. WRIGHT, SENIOR ENLISTED ADVISOR, MARINE
CORPS RESERVE AFFAIRS

CHIEF MASTER SERGEANT CHARLES F. JOSEPH, SENIOR ENLISTED ADVISOR
TO THE CHIEF OF AIR FORCE RESERVE

CHIEF MASTER SERGEANT RICHARD M. GREEN, SENIOR ENLISTED ADVISOR
TO THE DIRECTOR OF AIR NATIONAL GUARD

OFFICE, SECRETARY OF DEFENSE

INTRODUCTION

Mr. HEFNER. The committee will come to order.

This morning we will hear testimony from the Senior Enlisted
Advisors of the Reserve Components.

These advisors will address the special concerns and unique
issues pertaining to the readiness and morale of our Reserve enlisted
personnel and their families. Since there are seven advisors
present, we have broken this morning's hearing into four segments.
Gentlemen, we welcome you. I understand this is the first time you
have been before our committee.

I am not the chairman. I am the Chairman of Military Construc-
tion Subcommittee, but Mr. Murtha had to be someplace else this
morning, so it is my pleasure to be chairing the hearing this morn-
ing.

Our first witness today is Command Master Chief Larry D. Rhea,
Senior Enlisted Advisor to the Assistant Secretary of Defense for
Reserve Affairs.

Master Chief Rhea, please summarize your statement.

SUMMARY STATEMENT OF MASTER CHIEF RHEA

Master Chief RHEA. Thank you very much, Mr. Chairman.

I want to begin my remarks by stating that today represents an
occasion of no small significance for the enlisted men and women
of the National Guard and Reserve components.

Today, for the first time in the history of the Congress, the
Senior Reserve Enlisted Chiefs have been invited to appear and

offer their testimony on the special concerns and sometimes unique issues pertaining to our Reserve enlisted personnel. For that reason alone, Mr. Chairman, I am honored and deeply grateful for this opportunity.

Guardsmen and reservists comprise more than 40 percent of our Nation's total military capability and of that, more than 85 percent, some 1.2 million are enlisted men and women.

By whatever standard of measurement you apply, there is no doubt that these people are the best our Nation has ever seen. Much of the credit for that high-quality and the readiness of our Reserve forces must be given to the Congress and particularly to this subcommittee.

Thanks to your help and attention, the investment over the past several years in money, front-line equipment and modern training facilities has paid some very handsome dividends. On a day-to-day basis, Guard and Reserve individuals and units are working and performing equally alongside the Active forces, in many cases contributing 100 percent of a mission area. During contingency needs, you only have to look at their performance during the recent operation in Panama as testimony of their readiness, their willingness and their capabilities.

But if there is a single reason why the Reserve forces have been so successful, I am personally convinced that that reason lies in the quality, the dedication, and the commitment of our National Guard and Reserve component enlisted members.

Today, guardsmen and reservists belong because they know they are needed. They know they are doing something important, and they and their families are willing to make the commitment and the sacrifice to serve and they are ready and willing to respond when needed.

In my prepared statement, I have discussed several issues and concerns of National Guardsmen and reservists. I have indicated the importance that they and their families attach to military pay, the limited benefits and privileges they earn and to the fact that they have an opportunity for career service and can qualify for and earn a retirement. I also discussed in my prepared statement the concerns of the Reserve family and progress on initiatives relating to family readiness.

I look forward to discussing each of those important areas with you.

There is no doubt the quality of our people is the best it has ever been and clearly the improved resourcing has been a major contributor to those successes. However, the improvements we have achieved transcends improved resourcing alone.

The knowledge among our Guardsmen and Reservists that they are not merely a force in waiting has provided tremendous incentive to our people. They are participating in meaningful training that takes them out of the Reserve centers and armories. They have been assigned meaningful realistic missions. They have been trusted with modern, front-line equipment. They are able to get their hands on that equipment, to touch it, to fix it and to operate it. In short, there is real purpose to what our National Guard and Reserve enlisted members are doing and they derive a great deal of satisfaction in that fact.

In conclusion, and on behalf of more than one million enlisted members of the National Guard and Reserve, I thank you and the committee for this opportunity and honor.

I am prepared to respond to your questions, sir.

[The statement of Master Chief Rhea follows:]

PREPARED STATEMENT OF
THE SENIOR ENLISTED ADVISOR
TO THE
ASSISTANT SECRETARY OF DEFENSE
FOR RESERVE AFFAIRS

COMMAND MASTER CHIEF LARRY D. RHEA, USNR

HEARING BEFORE THE SUBCOMMITTEE ON DEFENSE
HOUSE APPROPRIATIONS COMMITTEE

MARCH 20, 1990

COMMAND MASTER CHIEF LARRY D. RHEA
SENIOR ENLISTED ADVISOR
OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE
(RESERVE AFFAIRS)

Master Chief Rhea began his Navy career in August 1960 when he enlisted in the U. S. Navy. Following graduation from Recruit Training as Company Honorman, Master Chief Rhea served with Patrol Squadron Forty-Six, U. S. Pacific Fleet, and the Navy Training Publications Center, Washington, DC, until his release from active duty in September 1963. After a three year service break, Master Chief Rhea returned to active duty in the Training and Administration Reserve (TAR) full time support program and he has served continuously in that program until the present time.

Master Chief Rhea's assignments have been numerous and varied including: Command Master Chief, Naval Air Station, Willow Grove Pennsylvania; Officer-in-Charge, Naval Reserve Force Detachment Management School; Special Assistant to the Deputy Chief of Staff for Surface Readiness, Chief of Naval Reserve; and the Staffs of Commander, Naval Reserve Readiness Command Region Twenty-Two and Commandant, Thirteenth Naval District. Master Chief Rhea served an unprecedented four year term on the Secretary of the Navy's National Naval Reserve Policy Board (1982-1985). He is a graduate of the U. S. Army Sergeants Major Academy, Class Fifteen.

Master Chief Rhea reported to his current assignment in November 1986. As Senior Enlisted Advisor to the Assistant Secretary of Defense (Reserve Affairs), Master Chief Rhea is the senior enlisted representative of the 1.6 million enlisted men and women of the seven national guard and reserve components (Army National Guard, Army Reserve, Marine Corps Reserve, Naval Reserve, Coast Guard Reserve, Air Force Reserve, and Air National Guard). His position is the highest ranking reserve component enlisted position within the Department of Defense.

Master Chief Rhea's awards include the Joint Service Commendation Medal, Navy Commendation Medal (three awards), Navy Achievement Medal (two awards), Navy Good Conduct Medal (five awards), Armed Forces Reserve Medal, Humanitarian Service Medal and National Defense Service Medal.

Master Chief Rhea is married to the former Wanda Ann Johnson of New Orleans, Louisiana. They currently reside at Bolling Air Force Base, Washington, DC.

At a time of historic and unprecedented change around the world, and at a time when the future size, shape, and composition of our armed forces are being openly debated, I want to begin my remarks by stating that today represents an occasion of no small significance in the eyes of the enlisted men and women of the National Guard and Reserve Forces of these United States. Today, for the first time in the history of the Congress, the Senior Reserve Enlisted Chiefs have been invited to appear and offer their testimony on the special concerns and sometimes unique issues pertaining to Reserve enlisted personnel. For that reason alone, Mr. Chairman, I am honored and deeply grateful to have this opportunity to discuss the readiness, morale, and concerns of our Reserve forces enlisted members and their families.

But there are also a number of other reasons which make this occasion particularly gratifying.

Today, Guardsmen and Reservists comprise more than 40% of our Nation's total military capability. More than 85% of our Reserve forces are enlisted men and women. While those percentages are significant, they certainly do not tell the full story. By whatever standard of measurement you apply, there is no doubt that today the enlisted members of the National Guard and Reserve are the best our Nation has ever seen. They are the best in the world.

During the past three years, I have had the opportunity to travel and observe our Guardsmen and Reservists in action around the world. I have visited with them at overseas training deployment sites. I have witnessed their involvement in operational missions. I have gone to the Reserve centers and armories during weekend training assemblies. I have visited with thousands of Reserve spouses and family members. But more importantly, I have had the opportunity to listen. Based upon my observations and upon what I have heard, I can only come to one conclusion. It is completely clear that this Nation is blessed with some very special people who have willingly taken on the dual responsibility of citizen soldier, sailor, airman or marine.

Much of the credit for the high quality and readiness of today's Reserve forces must be given to the Congress, and particularly to this Subcommittee. Thanks to your help and attention, the investment over the past several years in money, front line equipment, and modern training facilities for our National Guard and Reserve forces has paid handsome dividends. On a day-to-day basis, Guard and Reserve units are working and performing equally alongside the active forces, in many cases contributing one hundred percent of a given mission area. During contingency needs, their performance during the recent operation in Panama is testimony of their readiness, their willingness and their capabilities.

I might be mistaken, but I honestly believe that when the Total Force Policy was first envisioned, no one foresaw the extent and reliance that we today place on our National Guard and Reserve forces. I also believe that the Reserve forces have written success stories which no one at that time envisioned. Certainly, the money, equipment, and training facilities have contributed greatly to those successes. But if there is a single, predominant reason why the Reserve forces have been so successful, I am convinced that the reason lies in the quality, dedication, and commitment of our Reserve enlisted members. Today, Guardsmen and Reservists belong because they know they are

needed. They know they are doing something important. They and their families are willing to make the commitment and sacrifice to serve. And they are ready and willing to respond when needed.

Service in the Reserve forces has changed dramatically, particularly in the last decade. And whatever the term 'Reserve service' means or implies, today it is considerably more than the traditional one weekend a month and two weeks each year. The high technology skills which a modern military force demands has increased training requirements many times over. In many cases, particularly among our senior enlisted members, where leadership and management responsibilities increase, the time and commitment required is much, much more than what we think of in traditional terms. In order to achieve and sustain the levels of readiness now expected, many of our Guardsmen and Reservists devote countless hours of their own time, without pay or retirement credit. They do it because that is what the Nation requires of them. The fact that they do it is a measure of their dedication and commitment.

It is generally well understood and recognized that service in the active forces requires special people, people who are willing to make certain sacrifices to endure long periods of family separation and frequent moves. Much attention has been paid, and deservedly so, to the quality of life and concerns of active force members and their families. But I must say that service in our National Guard and Reserve forces also requires a very special type of person, an individual who is willing to make a commitment and certain sacrifices. It requires an individual who is prepared to balance the time demands of the employer, the family, the community, and the Reserve obligation. It is not an easy task. As we have required more from the individual Guardsman and Reservist, that task has become more difficult. It also requires a great deal in terms of support and sacrifice from Reserve family members. There is nothing which we do in the Reserve forces today which does not impact the family. Their support and their willingness to give up increasing amounts of precious family time is central to the retention and readiness of our members. The stress, anxiety, and uncertainty of watching a loved one depart during a time of crisis is no less important to the family member of a Guardsman or Reservist than it is to anyone else.

While there are many fundamental differences between active and Reserve service, there are certain aspects which will always remain the same. Both the active and Reserve forces must continue to be comprised of high quality, dedicated individuals who take pride in service to their country. And the importance of the support required for the military family, both active and Reserve, and their important influence on retention and readiness must always remain high on the list. In the Reserve components, just as in the active components, we enlist the individual, but we retain the family. The Secretary of Defense and each of the Service Secretaries have acknowledged these points. Each has stated that a quality force, active and Reserve, requires high quality members and strong family support programs. Each has stated a commitment to preserving that high quality.

For our National Guard and Reserve Forces to be able to attract and retain the high quality people needed today and in the future, we must do all that we can to ensure adequate and equitable compensation, provide strong family support, and ensure a

benefits and retirement package which is commensurate with the service these members perform.

At first blush, pay, benefits, and retirement for Reserve forces members might not appear to hold the same importance as for the active forces, since Reserve pay does not represent their primary source of income. But make no mistake, pay and the ability to earn a retirement annuity do in fact exert a major influence in a more senior member's disposition toward Reserve service. It is important that I tell you about a belief generally held amongst all Guardsmen and Reservists. As an element of the Total Force Policy, Guardsmen and Reservists believe that when service in the Reserve components is the same as that of the active force, the pay and benefits accompanying that service should be the same. Under different conditions of service, Reservists believe that pay and benefits should be commensurate with that service.

As you are aware, our Guardsmen and Reservists are paid one day's basic pay (based on active force pay scales) for each period of inactive duty training. Because of that link, Guardsmen and Reservists are keenly aware of what happens to military pay and the fact that it lags almost 11 percent behind the private sector. They are also aware that the value of an active duty retirement has eroded. They know that the Reserve retirement system was studied by the Sixth Quadrennial Review of Military Compensation and that their retirement is now being looked at by the Congressional Budget Office.

Each year when a military pay raise is considered, it appears to Guard and Reserve members that little thought is given to the impact a proposed pay raise will have on the Reserve forces. I indicated earlier the increased levels of participation now required of Guardsmen and Reservists. However, what I did not mention is that much of that increased participation has occurred by Guardsmen and Reservists giving up valuable civilian employment and overtime work. So in an employment sense, we also compete with the private sector to retain our Guardsmen and Reservists. I believe it is important that we are mindful of this when military pay decisions are being considered. It is equally important that Guardsmen and Reservists perceive that they are being adequately and justly remunerated for the increased demands on their time.

One of the most attractive features of the Reserve compensation system is the opportunity for career service and the qualification for a retirement annuity. The results of the 1986 Reserve Components Surveys clearly indicated the importance that Guardsmen and Reservists attach to these features of our Reserve system. One might correctly surmise that retirement increases in importance as seniority and the investment in time in the Reserve forces increases. But as was strikingly revealed in the 1986 Reserve Components Surveys, 55% of Guardsmen and Reservists in pay grade E-4 and below, also consider Reserve retirement benefits extremely important in their decision to join or remain in the Reserve forces. That is a fact of no small importance. While there are major differences between the active and the Reserve retirement system, and there should be, I cannot over stress the importance which Guard and Reserve members attach to the retirement system. It is a crucial, fundamental aspect in our ability to attract and retain the talent we need. It will remain so.

Aside from the pay a Guardsman or Reservist earns through their participation, the immediate incentives and benefits of Reserve membership are few. But Guardsmen and Reservists attach a great deal of significance to those items. Probably the most important incentive to Guardsmen and Reservists, and certainly the one which has produced the best results for the Reserve components is the educational assistance for the Selected Reserve under the Montgomery G.I. Bill. This program broke important new ground in providing educational assistance for members of the Selected Reserve. The specific purpose of the program for the Selected Reserve is 'to encourage membership in units of the Selected Reserve'. In exchange for educational benefits, a member must enlist, reenlist, or extend in his or her Selected Reserve obligation for a period of six years. The success of the program can readily be seen in the increasing numbers of Reserve members participating. Today, nearly 160,000 Guardsmen and Reservists have enrolled and participated in the program. The program has done and is clearly doing what it was designed to do - to serve as a recruiting and retention incentive.

The Defense Authorization Act for 1990 required the Secretary of Defense to report not later than March 15, 1990, on the desirability and the practicability of requiring that the Selected Reserve GI Bill be a contributory program similar in manner as the GI Bill for members of the Armed Forces on active duty. In addition to substantial differences in the amount of educational assistance provided (\$10,800 for active duty and \$5,040 for Selected Reserve), there are other fundamental differences between the two programs. The educational assistance program for active duty personnel has among its purposes the readjustment of members to civilian life after separation from military service, to provide for vocational readjustment and to restore lost educational opportunities as well as aid in the recruitment and retention of highly qualified personnel. The sole purpose of the educational assistance program for members of the Selected Reserve is to encourage membership in the Selected Reserve. In addition to the major differences in purpose, there are also major differences in funding of the two programs. The basic benefit of the active duty educational assistance program is funded by the Department of Veterans Affairs. Additionally, the Department of Defense funds "kicker" benefits for the active duty educational assistance program for individuals in hard to fill skills. These "kickers" are noncontributory, range from \$400 to \$700 per month, and can increase the value of the active duty educational assistance benefit to a maximum of \$36,000. The Department of Veterans Affairs does not fund the Selected Reserve educational assistance program. Rather, the Selected Reserve program is entirely funded by the Department of Defense on an accrual basis and, like the "kicker" portion of the active duty program, the Selected Reserve program is noncontributory. Under the active duty program, there is no additional reduction in pay required for the Department of Defense funded "kickers" even though the added benefit could be as much as \$700 per month. Since Department of Defense also funds the Selected Reserve program, the purpose of which, like the active duty kicker, is a recruiting incentive, it seem consistent that no contribution should be required from Selected Reservists. The purpose of the Montgomery GI Bill for the Selected Reserve is to encourage membership. Indeed, unlike the active duty program, continued membership in the Selected Reserve is a condition of educational assistance. A requirement for a reduction in pay, even if feasible, would almost certainly discourage membership, thus defeating the very intent of the program.

The Montgomery GI Bill for the Selected Reserve has been a monumental success. It is working exceedingly well, for Reservists and for the Reserve components. It isn't broke. I don't believe any sort of fix is required.

The commissary entitlement is also viewed by Guardsmen and Reservists as an important immediate benefit for their participation. As you are aware, selected Reservists earn the entitlement based upon performance of active duty training. The Fiscal Year 1987 Defense Authorization gave Selected Reservists the opportunity to use the commissary entitlement of 14 visits throughout the year. Previously, Reservists had only been permitted to exercise their commissary privilege during the actual period of active duty for training, and, consequently, many Guardsmen and Reservists viewed it as a hollow benefit. The change in FY87 to allow limited discretionary visits throughout the year is much more realistic. Implementation of the Commissary Privilege Card by the Department of Defense on January 1, 1990, has simplified and streamlined considerably this benefit for Reservists. Even though the fact remains that the large majority of Guardsmen and Reservists do not live close enough to bases and installations to exercise fully their limited privilege, they nonetheless view this as an important benefit. They view this benefit as an element of the Total Force compensation package commensurate with their level of participation.

As I indicated, the immediate benefits of Guard and Reserve participation are not great in number. As you know, Guardsmen and Reservists do not commence to draw retirement pay until completing 20 years of satisfactory service and reaching their 60th birthday. If a Guardsman or Reservist transfers (either voluntarily or involuntarily) to the Retired Reserve prior to reaching their 60th birthday, the few benefits they have as a participating member are lost. Consequently, there is little incentive for members to voluntarily leave the Selected Reserve. Because of this situation, there has been concern expressed in several different quarters concerning the aging of the National Guard and Reserve forces and the attendant problem of advancement stagnation. On the other hand though, after an individual has served honorably and faithfully for twenty, thirty, or more years, and just because they have not reached age 60, it just does not seem right that their connection with the military, for all practical purposes, should be so completely severed. During the period between the point when they transfer to the Retired Reserve and the time when they begin to draw retired pay, Guardsmen and Reservists feel shut out and cut off from their Service and the way of life to which they have devoted most of their working years.

This issue, which is known as the "gray area retiree", was addressed by the 6th Quadrennial Review of Military Compensation. The study examined the costs and advantages of extending certain benefits to retired Reservists in the gray area. The QRMCC concluded that expanded benefits for gray area retirees would recognize their long and dedicated service. After considering several options, the QRMCC recommended that temporary lodging facilities, military exchange stores and services and Class VI/Package store privileges be extended to gray area retirees. The QRMCC noted that these expanded no-cost benefits would actually increase monies for nonappropriated fund activities and provide an incentive for members with more than 20 years of service to transfer to the Retired Reserve.

I am happy to report that these recommendations are being worked for implementation by the Department of Defense.

Much attention during the last several years has been directed to the military family, their quality of life, and their special needs which result from the demands of active military service. When it comes to Reserve family members, their concerns are less easily understood because of the different relationship which they have to the military. Although the Reserve family members' relationship to the military is different than that of the active family member, the influence they exert on our members is identical. They have a very significant impact on readiness and training just like the active families. They exert a major influence on Reserve members, their quality of work, attendance at training assemblies, and on retention. All of these things affect force readiness. As the reliance on the Reserve has increased, so too has the training time required of Reservists increased. As training time has increased so have the pressures on families. In order to achieve the levels of readiness we need, we must have the strong support of spouses and family members. Also, when you consider that National Guard and Reserve members will in all likelihood have only a matter of hours following notification of activation until they actually have to report, family preparedness is an extremely important aspect of overall readiness.

We have learned a lot about the Reserve family in recent years, particularly as a result of the 1986 Reserve Components Spouse Survey. Those surveys showed just how important such things as Reserve pay, benefits, and retirement are to the family. And just like active duty families, pay and retirement are critical factors in their influence on a family's attitude toward the Service. Our Reserve spouses also told us in very clear terms that we need to communicate with them better. They wanted more and better information about the military in general and about the mission of their spouses' unit in specific. They expressed concern about the lack of information regarding benefits, entitlements, pay and retirement. They also expressed concern about what would happen to them in the event of activation of their member-spouse. They wanted information about their entitlements as active component families in the event of mobilization.

In my mind, there are two sides to the challenge of Reserve family support. The first side is during peacetime when we should be concentrating on and addressing the concerns which I mentioned. We should have our families fully prepared for the eventuality of activation. I am happy to report to you that these concerns are being addressed within the Department of Defense, the military services and the Reserve components. The second side of Reserve family member support becomes more complicated however. The more challenging responsibility is supporting these families during and following the activation of the Reserve member. When this happens, the relationship between the military service and the Reserve family has changed. Now they have benefits and entitlements as active component family members. The extent to which family support services will or will not be available during any sort of activation surge is something which concerns Guard and Reserve family members. While many of these people will continue to stay in place and rely on the civilian community for support, many spouses in the Survey foresaw a significant increase in the need for child care, financial counseling, crisis referral, and legal assistance.

In this regard, when family support matters are considered, I request that these points be kept in mind and that the needs of the family members of activated Reservists be a part of the overall family support umbrella and requirements.

There are two other family issues which I want to briefly mention, both of which are important aspects of Reserve family member readiness. The first is the pre-enrollment of the Guard and Reserve into the Defense Enrollment Eligibility Reporting System, DEERS. It was a report of this Committee in FY 1983 which stated that the Secretary of Defense should consider and pursue the advantages of interfacing the DEERS program with mobilization and contingency considerations when the Guard and Reserve are activated. It was also a report from this same Committee in FY 1986 which stated that the Committee continued to support this initiative. As a result, the pre-enrolled Selected Guard and Reserve sponsor population has expanded to more than one million. When the current phase of this initiative is completed, the Guard and Reserve dependent population is expected to expand to approximately 1.2 million dependents.

With Guardsmen and Reservists having only hours between notification and activation, I consider this initiative a major step in family readiness. It allows the Reserve community to interface with the active duty DEERS program. Furthermore, it provides the database to verify sponsor relationship to the family member, ensuring that only legitimate dependents are issued ID cards and provided access to benefits and entitlements. A separate important point, but closely related to DEERS, is the DoD Guard and Reserve family member identification card. Issuance of the card is an integral part of the DEERS. The card will be recognized by all Services just as the active duty dependent identification card is. And just as the active duty family member identification card and enrollment in DEERS are tied together, the Reserve dependent identification card and the DEERS enrollment are tied together.

Aside from the obvious and important aspects of family readiness which these two initiatives represent, they also carry over into the Reserve family's belief that they actually are a part of the Total Force. And just like our active families, the Reserve family has to believe that they are actually accepted, that they do in fact belong, and that they have a rightful place in the total scheme of things. This is extremely important to them.

There is no doubt that the quality of the enlisted men and women of our National Guard and Reserve forces is the best it has ever been. Not only is the quality high, they have attained unprecedented levels of readiness and we are retaining our members in record numbers. Many things contribute to these successes. Quality people who are willing to make the commitment and sacrifices inherent with Reserve service are fundamental. Certainly, good leadership and sound management are fundamental. However, one of the most fundamental aspects of whether a military member stays or goes is job satisfaction. People need to feel good about what they are doing. They need to have a sense of doing something important. They need to know that they are contributing. And they need to see the end result of their effort.

Today, our enlisted men and women do feel good about what they are doing. They know that what they are doing is important.

And they are ready and willing to do what we ask of them. Probably the greatest thing they ask in return is simple recognition of their effort.

But I also believe that it is instructive to look at why people in the Guard and Reserve feel so good about what they are doing. There are many reasons and among the most important is meaningful training that takes them out of the Reserve centers and armories. They have been assigned meaningful, realistic missions. They have been given modern front-line equipment. They are able to get their hands on that equipment, to touch it, fix it, and operate it. They have been allowed to do the job. They have been permitted to do real-world things during overseas deployment training. We have challenged them. We have challenged their technical skills. We have challenged their leadership, management, and supervisory abilities. And the good news in this for all of us, is that when we have needed them, they have responded and performed magnificently. I believe these are important points for all of us to keep in mind.

In conclusion, and on behalf of the more than one million enlisted members of the National Guard and Reserve, I thank you, Mr. Chairman, and the Committee for this opportunity and honor. I am prepared to respond to your questions.

TRAINING AND READINESS

Mr. HEFNER. You have already answered my first question as the senior representative of 1.6 million men in the Reserve components, you said they are the best that you have ever had.

Is that correct?

Master Chief RHEA. Yes, sir.

Mr. HEFNER. Is there any general area of concern that you might wish to address?

Master Chief RHEA. Well, I believe the single greatest challenge confronting the Reserve components today is in the area of training and readiness.

Because of the limited amount of training time and the high levels of readiness that we are expected to achieve, we have to find new innovative and better ways to conduct our inactive duty training.

There are other concerns of the National Guard and Reserve members and their families though.

MILITARY PAY

For example, they are concerned and aware of what happens to military pay.

They know that their retirement system has been studied by the Sixth Quadrennial Review of Military Compensation. They are aware that the retirement system is being looked at now by the Congressional Budget Office.

These things concern our people, sir.

COMMITMENT OF FORCE

Mr. HEFNER. Some people think that the Reserves only contributes one weekend a month and two weeks active duty—do you get that opinion as you travel around?

Master Chief RHEA. I get that opinion from all sectors, sir, from the military, civilian groups that I address and talk to, and that is very correct.

Many people still hold the image of the Guard and Reserve as being a one-weekend a month and a two-week each year commitment, and the commitment in training time alone exceeds that considerably.

Amongst our senior enlisted grades where leadership and management responsibilities increase, these individuals devote much, much more, oftentimes without pay and without retirement credit, too, I might add.

GI BILL

Mr. HEFNER. Did the Montgomery GI bill have any impact on recruiting and retention for the Reserves?

Master Chief RHEA. That program broke important new ground as you are well aware for the National Guard and Reserve forces.

Probably if there is one program that has been the single greatest incentive to our recruiting and retention effort, I think we can look at the Montgomery GI bill for the selected Reserve as being that program.

The requirement of that program is that an individual must enlist, reenlist or extend their enlistment for a period of six years. As a condition of their receiving benefits under that program, they must remain in our units and in the selected Reserve to receive the educational assistance under that program.

It has been a tremendous, tremendous success for us, sir.

Mr. HEFNER. We have other questions for the record and I will ask that the record be kept open for absent Members to submit questions for the record.

Thank you for being with us this morning.

I have no further questions.

[CLERK'S NOTE.—Questions submitted for the record and the answers thereto follow:]

OPERATION JUST CAUSE

Question. Many Reservists participated in Operation Just Cause in Panama. Would you comment on their missions and response received in their callup?

Answer. From the very beginning, Guardsmen and Reservists were involved and participated in Operation Just Cause. Even before the operation was announced to the public by President Bush, Reservists were involved and following public disclosure thousands volunteered their skills. Air Guardsmen who were on overseas deployment training in Panama at the time the operation began were tasked to perform vital tactical fighter support in the very earliest stages of the operation. An Army National Guard Military Police company which was also conducting annual training in Panama when the operation began was tasked to construct a holding facility and to receive and process Panamanian Defense Force prisoners. Throughout the operation Guardsmen and Reservists played a significant role in several vitally important areas. Their missions included the airlift of troops and supplies, tactical fighter support, aerial refueling, military police functions, aeromedical evacuation, and civil affairs functions. Individual Mobilization Augmentees were requested to provide staff and related support to SOUTHCOM and several of its subordinate commands. An Army Reserve Public Affairs Detachment provided in-depth media coverage for a period of two weeks. In addition to those who actually deployed, there were thousands who provided around-the-clock support at Stateside locations.

A very critical aspect of Reserve involvement in the operation was their response to requests for volunteers. No statutory authority for involuntary activation was used. All Guardsmen and Reservists who participated were volunteers in response to specific requirements. In some cases, Reservists responded and were at their place of duty in less than an hour. Hundreds of Guard and Reserve members reported to deployment sites with 24-hours notice or less. Many volunteered to extend their duty in Panama and actually did so. To give you some measure of appreciation for their response, Army Reserve Civil Affairs requirements provide a good example. For the approximately 140 specific, individual civil affairs specialties needed to support the operation, more than 2,000 Army Re-

serve soldiers responded. By every account, the overall response by Guardsmen and Reservists was overwhelming.

There is one other important point I wish to stress which is germane to the manner in which Reservists responded. All Guardsmen and Reservists today are volunteers, just like the active forces. These people have volunteered to serve the Nation. They train hard to achieve the readiness levels required. They are not only ready to respond, they fully expect to be used when needed.

TOTAL FORCE MIX STUDY

Question. The Department of Defense is tasked to provide a Total Force Mix Study by December 1990. What part do you play in this study?

Answer. The Total Force Policy Study which was directed by the Fiscal Year 1990 Defense Authorization Act is currently underway in the Department. At the direction of Mr. Duncan, the Assistant Secretary of Defense for Reserve Affairs who serves as Vice Chairman of the Study, I have been assigned as a member of the Study working group staff. My role is to provide an enlisted perspective on the policies and procedures of the Total Force as they impact on enlisted members and their families. In addition to my personal experiences and views on this important subject, I am also serving as the conduit to the senior noncommissioned and petty officer ranks of the active and Reserve components of each of the military services. I participate in all the key meetings and deliberations of the working group staff and I have direct access to Mr. Duncan on a daily basis in both my capacity as his Senior Enlisted Advisor and as a member of the Total Force Policy Study Working Group. I share with Mr. Duncan the belief that senior enlisted members can contribute an important, added dimension to the Study Group effort.

GREY AREA RETIREES

Question. Explain the "grey area retiree" and how it impacts on the retention of quality Reservists. Is legislation being prepared in DoD to resolve this problem?

Answer. "Grey area retiree" is the term used to refer to those Ready Reservists who have completed 20 or more years of qualifying service and who have transferred to the Retired Reserve but who have not yet reached their 60th birthday. As you know, Guardsmen and Reservists do not receive retired pay until completing 20 years of satisfactory service and reaching age 60. If a Guardsman or Reservist transfers (either voluntarily or involuntarily) to the Retired Reserve prior to age 60, the benefits they have as a participating member are lost. Because of this situation, there is no incentive for members to voluntarily leave the Selected Reserve. Therefore, the inclination among Guardsmen and Reservists is to remain a participating member for as long as possible or until age 60. Consequently, the resultant effect is a stifling of advancement opportunity while concurrently increasing the age of the Reserve forces. The entire situation negatively impacts retention particularly among first term and mid-career Reservists who see little opportunity for upward mobility. The high quality reservist, the

one we want most to retain, must be able to foresee a future with opportunity for advancement and increased responsibility; otherwise, many opt not to reenlist.

The "grey area retiree" issue was addressed by the Sixth Quadrennial Review of Military Compensation. After examining the costs and advantages, the QRMC concluded that the extension of certain limited benefits to these people would not only recognize their long years of faithful service but it would also serve as an inducement for voluntary transfer to the Retired Reserve prior to age 60. The QRMC recommended that transient lodging facilities, military exchange stores, and Class VI Package store privileges be extended to grey area retirees. These recommendations which were approved by the Secretary of Defense were included in the final report of the QRMC forwarded to the Congress July 1989. They are currently being worked for implementation within the Department. No legislative proposal is required to implement the recommendations approved for grey area retirees.

[CLERK'S NOTE.—End of questions submitted for the record.]

ARMY RESERVE AND ARMY NATIONAL GUARD

INTRODUCTION

Mr. HEFNER. Our next witnesses represent the Army reserve components.

They are Command Sergeant Major Douglas E. Murray, Senior Enlisted Advisor of the Chief of Army Reserve; and Command Sergeant Major G. Steven Blackwood, Senior Enlisted Advisor to the Director of the Army National Guard.

Command Sergeant Major Murray, please summarize your statement.

SUMMARY STATEMENT OF COMMAND SERGEANT MAJOR MURRAY

Command Sergeant Major MURRAY. Thank you, Mr. Chairman.

I am honored to appear before each of you this morning to discuss the important role of your citizen-soldiers as full partners in the Total Army, indeed, the Total Force.

Over 600,000 men and women, Americans in the defense of this great Nation, serve in the United States Army Ready Reserve.

This opportunity you have provided me to appear before you is another first in my career of over 28 years of active and Reserve service and, I believe, a first for my component.

We have come full circle and are back to the traditional small standing Army and a larger trained Reserve. Recent Army Reserve history has been characterized by rigorous training and personnel growth.

During the decade of the eighties, the USAR has grown by more than 105,000 in end strength. In the year 1989, the Army Reserve met its end strength objectives, a first in many years; continued to relieve critical equipment shortages through the congressionally sponsored dedicated procurement program; improved facilities under the Military Construction, Army Reserve program of funding; participated in tougher, more realistic training in both collective and individual skills; and continued its aggressive personnel

management practices that have helped make the Army Reserve a more combat-ready force today.

Because of your intense interest in the viability of the Guard and Reserve, I would like to spend a few moments on some areas of success as well as some critical areas requiring continued congressional enhancements and assertive leadership in both the Congress and the Department of Defense.

Threaded throughout my written statement are issues on personnel, professional development, training and facilities that have direct and indirect impacts on the quality of life of our citizen soldiers. From personnel issues like gray area retiree benefits to quality training to adequate training and support facilities, the Army Reserve has made great strides.

In the midst of what is left to do, you and your congressional colleagues have kept faith with your soldiers by providing pay and allowance increases and fixed other inequities. Most, if not all of these, have accrued to the Guard and Reserve soldiers. Yet, the Army Reserve soldiers put in tremendous amounts of personal time in a non-paid status and I don't see that diminishing. If anything, we will no doubt be asking more of them in the future as we shape a smaller Active Army and absorb what cannot be missioned to Active Duty forces into the Reserve forces.

We must continue to raise the self-worth of Army Reserve soldiers by letting them know that the public in general knows that they are indeed "Twice the Citizens" and that their country and their Congress feels as proud of them as they do their Active counterparts.

After all, we did a just job in "Just Cause," too.

Finally, let me say that every American should be proud of their Armed Forces and our contribution, not only to the defense of our Nation, but also to the safeguarding of the freedoms and human dignity that millions across the globe are enjoying today.

The Total Force of the United States has been a worldwide deterrent that has, and will always, stand ready to defend the rights of individuals to govern themselves and live in peace with one another.

As our Army faces the inevitable future of being smaller, more mobile and more lethal Army, we must protect the investment in this strong America by safeguarding the principles of a citizen-soldier force that has served this country since its beginning.

A continued investment in the Guard and Reserve force, avoiding the erosion of the great strides made in manpower and equipment readiness of the last decade, is a must if we are to project not only a deterrent combat-ready force, but also a Total Force that will be victorious on the battlefield if we must go to war.

For my part, having visited our Army Reserve in all corners of the world, I see Americans from all walks of life, balancing their commitment to serve their country with their families and employers' needs.

These Americans continue to need your support, good faith, and vision to keep America strong through a Guard and Reserve force that stands ready with its active counterparts to defend freedom wherever you and our Commander-in-Chief send us.

Mr. Chairman, thank you for the opportunity of my career to tell you about your Army Reserve in my written and verbal statements.

I am proud to be their senior enlisted advisor here in Washington, D.C., and I am ready to respond to any of your questions when my colleague has finished his statement.

[The statement of Command Sergeant Major Murray follows:]

Statement of the
Command Sergeant Major, Army Reserve
CSM Douglas E. Murray

Mr. Chairman and other distinguished members of the Subcommittee:

I am honored to appear before each of you this morning to discuss the important role of your citizen-soldiers as full partners in the Total Army, indeed The Total Force. Over 600,000 men and women, Americans in the defense of this great nation, serve in the United States Army Ready Reserve.

This opportunity you have provided me to appear before you is another first in my career of over 28 years of active and reserve service, and, I believe, a first for my component. During my previous assignment as the first Command Sergeant Major of the United States Army Reserve Personnel Center, (ARPERCEN), St. Louis, Missouri, I was able to see first hand the measure of full faith and support of the Congress that led to the enhancement of the Office of the Chief, Army Reserve, with a dedicated personnel center. ARPERCEN provides a wide range of personnel services for over 1.2 million Ready Reserve and Retired Reserve citizen-soldiers and Americans with a proud tradition of service to their country.

We have come full circle and are back to the traditional small standing Army and a larger trained Reserve. Recent Army Reserve history has been characterized by rigorous training and personnel growth. During the decade of the 80's, the USAR has grown by more than 105,000 in end strength.

In the year 1989, the Army Reserve met its end-strength objectives, a first in many years; continued to relieve critical equipment shortages through the Congressionally sponsored Dedicated Procurement Program; improved facilities under the Military Construction Army Reserve program of funding; participated in tougher more realistic training in both collective and individual skills; and continued its aggressive personnel management practices that have helped make the Army Reserve a more combat ready force today.

Because of your intense interest in the viability of the Guard and Reserve, I would like to spend a few moments on some areas of success as well as some critical areas requiring continued congressional enhancements and assertive leadership in both the Congress and the Department of Defense.

PERSONNELa. People

During the last 10 years, the Army Reserve has grown over 105,000 in strength; has managed a volunteer force whose obligation has been in the Ready Reserve as opposed to the selected reserve; has transformed its enlisted personnel management practices from fully qualified to best qualified principles; has recruited the best of America and thereby achieved an all time high in high school diploma graduates and category I-III A/B accessions of 92%; and has carefully screened the IRR resulting in an improved personnel records management and training assessments that will maintain a pretrained individual manpower pool. All of this was with the realities of time, resource and geographical constraints that we must live with in the Army Reserve. All in all, this is a pretty good record of achievement when you consider the relative flow of resources in relationship to the Army Reserve's size, its cumbersome organizational structure, and the near constant force structure changes evolving as a result of Army of Excellence and other Air-Land Battle doctrine changes.

Yes, your citizen-soldiers at every level of command - commissioned and noncommissioned officers - have performed well in peacetime and as individual volunteers ordered to active duty in times of crisis like Panama.

There are some areas in personnel management that should be dealt with from a common sense and sensitivity perspective. The effect of downbuilding or adjusting Active Army end strength on the Army Reserve is of growing interest and concern. While the country should endeavor to protect its investment in the military training and professional development of its active soldiers as they transition out of a smaller army into the Army Reserve, the taxpayers and the leadership should be cognizant that about 600,000 citizen-soldiers have also made their own commitment and hence have chosen a career in the Army Reserve. Shouldn't Army Reserve-career-oriented soldiers be treated like all soldiers in the Total Army with dignity, common sense and sensitivity?

USAR programs are available like full time status in the AGR force; participation in a troop program unit; the Individual Mobilization Augmentee Program (IMA) or a continued, albeit limited career as a pretrained individual ready reservist (IRR). The IRR of the future will be a more critical element in the mobilization equation with the existence of a smaller Army. If we carefully manage the

downbuilding of the Army and the transition of active component soldiers, the Total Army can be a winner. If we don't and force one on the other, then we will severely impede the readiness, morale and combat effectiveness of the Army Reserve and definitely erode our popular grassroots support.

The leadership must create a Total Army transition management plan that maximizes the opportunity for the best qualified to serve or fashion a career in any one of its three military components, not just in one, with the other two saddled with the remainder.

b. People Programs

Family support programs in the Army Reserve are as important as any program we have today. To a large degree, soldier's mobilization readiness depends on his family members' positive feelings about military service and the resultant benefits. The Army Reserve programs assist family members with family member identifications cards, preenrollment in DEERS, support groups at unit level, legal services by Army Reserve legal officers and mobilization briefings during open houses on drill weekends that provide a basic understanding of post mobilization support that can be expected. Fiscal support for Army Reserve family support programs must accompany the leadership support.

"Gray area" retiree benefits are another area that concerns Army Reserve soldiers. The Army Reserve supports the effort to provide eligible soldiers who have not yet reached age 60, a package of no-cost, low-cost benefits like the Post Exchange and morale, welfare, and recreation activities on installations, international Space A, commissary, package (Class VI) store privileges and temporary lodging facilities. The gray area retiree package is designed to engender and enhance membership in the Army Reserve as well as encourage those with 20 or more qualifying years of service to transfer to the retired reserve. Opening up this interim period between 20 years of qualifying service and age 60 with these benefits will have a positive effect on all members, will open upward mobility gates and allow soldiers and their families to feel good about their service, while still being subject to recall to active duty in the event of mobilization. The Congress should lend its support to this no-cost, low-cost benefits package.

The range of incentives and bonus payments the Congress has provided the Army Reserve has served us well and continues to deliver a quality force that is more ready

today than in our entire history. Continued congressional support for the Montgomery GI Bill, tuition assistance, the ACES program, enlistment and reenlistment bonuses, health profession incentives, and the student loan repayment program is a must if we are to provide the right environment to attract and retain a quality force. Special duty assignment pay (SDAP) for drill sergeants and for other reserve component soldiers during IDT is needed if we are to provide a fair and equitable environment comparable to our active component soldiers.

Other enlisted personnel programs that affect our force include an improved promotion system that selects the best qualified soldier in the geographical area; carefully selects and manages the Command Sergeants Major who serve in the TPU and on active duty in the AGR program; and objectively rates NCO performance and potential by using the Army's new NCO Evaluation Report.

Yes, the Army Reserve enlisted force is a "Best Qualified" force and as a result will enter the last decade of this century a much better and more professionally developed force - thanks in large part to the vision and support of the Congress as it provides the nation with a cost-effective answer to its current national defense needs.

TRAINING

Training is the business of the Army Reserve. The preparation of units and individuals in the Army Reserve to perform wartime missions is essential to the mobilization readiness of the force.

Army Reserve training must be effective and efficient and must be to Army standards. This is a large challenge when you consider the time, resource and geographical constraints we face in our units.

Individual training is a high priority in our Army Reserve. Our ability to have an adequate number of duty position qualified soldiers is complicated by force structure changes and the annual attrition rates we experience. Yet we are constantly training Army Reserve and Army National Guard soldiers in MOS producing and sustainment classes at our 90 U.S. Army Reserve Forces (USARFs) schools in over 1,000 locations around our country and in the Federal Republic of Germany. Without our USARFs, individual training would suffer, readiness would suffer, and we would lose our most valuable asset, our soldiers, because they would have few or no opportunities

for growth and advancement. Individual training funds are essential to our achieving a goal of an 85% duty position qualified Army Reserve.

Once we have a duty qualified force, we must provide collective training opportunities for our units so we can have units that can perform their wartime missions.

Overseas deployment training (ODT) is the best premobilization training a unit can get. ODT causes units to plan their deployment, to actually deploy, to move to the host country, demonstrate their unit skills in an exercise, return to home stations, and to stand down by completing a post ODT inventory and training assessment. This effort is as close to real world requirements as one can get.

Annual training is the next best exercise of unit skills and mission accomplishment.

Fully funding these two training vehicles helps ensure the mobilization readiness of the Army Reserve.

The addition of regional training sites for maintenance and medical sustainment training is a real boost to the soldiers desire to "be all they can be." Getting all our requirements on line and maximizing their effectiveness is not only cost effective training, but exciting, hands-on training that soldiers love. Continued support in this area is vital to our training initiatives and requirements.

Individual Ready Reserve training is more critical today than ever in our history. No longer can we afford to not fully fund ARPERCEN.

The IRR will be the immediate fillers, battlefield replacements, and manpower resource pool to support a smaller army. We must ensure all the resourcing required to sustain a growing IRR management challenge is available. Personnel management and sustainment training funds must be available in adequate levels to accomplish an expanded and growing mission for the IRR.

PROFESSIONAL DEVELOPMENT

Professional development of the Army Reserve is of paramount importance as we fulfill increasing roles and missions as a vital partner in the Total Army. Your reserve soldier must be as well educated, trained and prepared as their Active Army counterpart if we are to meet any mobilization contingency.

A recent Army Theme was "The Year of the NCO." This follow-on theme to the 1988 "Year of Training" was a natural for us all to focus on the trainers of the Total Army - the noncommissioned officer corps. The NCO brings

unique strengths to the day to day operations of the Army and, as such, must be technically and tactically competent. Only through effective professional development programs can we continue this great legacy.

In the Army Reserve, the NCO as a citizen-soldier is not only a leader and trainer, but a role model as well. Army Reserve NCOs are often leaders in their communities and in their civilian occupations - a fact that undergirds the citizen-soldier ethic by which they serve.

The Army training doctrine, FM 25-100, "Training the Force", clearly tasks the NCO Corps with the responsibility to train individuals and to overlap their expertise into collective training conducted to ensure that units will be able to perform the mission.

Without professional development programs and their requisite funding streams to ensure NCO peak performance, a smaller more lethal army will not evolve.

We must protect professional development accounts for our enlisted force just as strongly as we protect the personnel accounts. If we have a happy but underdeveloped force, we have a weakness that can be exploited by any adversary, for it is the NCO Corps that will be the decisive factor in winning or losing any battle our Army may fight.

Again, the leadership in Congress must provide the professional development resources to train and sustain the Army NCO Corps.

MODERNIZATION

Thanks in large part to the Congress and the dedicated procurement program (DPP), the Army Reserve's equipment on hand readiness has improved significantly in the last several years. As a result equipment provided through the Army's normal distribution and the cross-leveling efforts between troop program units, Army Reserve unit readiness posture is at an all time high. In fact, in the past 5 years, there has been an over all readiness increase of 17% in our units.

Getting the equipment to modernize our units is one aspect of modernization that gets most of the attention. However, new equipment training, aggressive maintenance and secure storage programs are essential if we are to be true stewards of the equipment we will need to mobilize.

As we press to fill the shortfall in equipment we must be cognizant of the training and maintenance costs associated with fielding new items to our Army Reserve.

I ask you to keep a watchful eye on the funding streams to accomplish the full scope of procuring or redistributing equipment to the Army Reserve.

FACILITIES

The facilities in the Army Reserve are a critical link to all our programs. Poor or inadequate facilities affect personnel, training, maintenance and storage unlike any other program. The Army Reserve could have the best soldiers, or the best training or the best maintenance, but if it has poor or inadequate facilities, the quality of what we do is diminished, the soldiers depart and readiness suffers.

The Army Reserve has suffered from inadequate facilities and your communities see substandard support facilities for their citizen-soldiers. We have not kept pace with construction, operation and maintenance cost requirements in our facilities as evidenced by a backlog of over 2.3 billion dollars.

In my opinion, only a dedicated facilities improvement program (DFIP) can fix this backlog. Like the dedicated procurement program (DPP) has made great strides in curing equipment on hand readiness, a DFIP must be employed to revitalize the centers and training sites which support the Army Reserve in our communities.

FULL TIME SUPPORT

The full time support (FTS) force in the Army Reserve is truly a "force multiplier" that enables drilling Reserve soldiers to maximize training and maintenance time available to them. FTS also makes it possible for the Army Reserve to sustain readiness levels in a changing force structure environment so that our units can accomplish its assigned missions.

With current national strategy placing great emphasis on the reserve components as an integral part of the total force, the Army Reserve must climb out of the basement with only 7% of its force in an Active Guard/Reserve (AGR) full time status. We have a long way to go to reduce the delta of 8,000 AGR soldiers between recognized requirements and current authorizations.

More dependence on the Army Reserve to fulfill the Army's combat potential requires increased AGR full time support. Only the Congress can resolve this readiness shortfall.

Army Reserve technicians are likewise a vital part of the FTS program because they provide valuable continuity of experience in our troop program units. We must provide these important force multipliers with attractive career potential, upward mobility opportunities, and a comparability of work grade structure that retains the best qualified in the program and avoids high attrition to other agencies or the civilian sector.

Like our AGR force (who are also subject to transfer), the Army Reserve technician should be properly compensated for working in high cost areas. Both of these important members should not have to merely survive in lower pay grades. They are, like our citizen-soldiers, unsung heroes who give freely of their time and energy above and beyond what might be considered a normal workday by other Americans.

They deserve our unqualified support. I ask you to use your considerable influence to see that they too have a fair and equitable environment in which to serve.

QUALITY OF LIFE

Threaded throughout my statement are issues on personnel, professional development, training and facilities that have direct and indirect impacts on the quality of life of our citizen-soldiers. From personnel issues like gray area retiree benefits to quality training to adequate training and support facilities, the Army Reserve has made great strides. In the midst of what's left to do, you and your Congressional colleagues have kept the faith with your soldiers by providing pay and allowance increases and fixed other inequities. Most, if not all of these, have accrued to the Guard and Reserve soldiers. Yet the Army Reserve soldiers put in tremendous amounts of personal time in a non-paid status and I don't see that diminishing. If anything, we will no doubt be asking more of them in the future as we shape a smaller Active Army and absorb what cannot be missioned to active duty forces into the reserve forces.

If we cannot afford to pay them a day's pay for this "extra" effort, then we should be able to award them a retirement point that counts over and above the 60 limit for IDT points one can earn. This low cost postponed compensation for service above and beyond what we can afford to pay them today, would demonstrate a good faith gesture that would make the already small retirement package a little bit better while demonstrating that their country appreciates their contributions to national defense.

Our full time AGR force like other active duty soldiers who serve in recruiting, ROTC detachments, and outside the mainstream of installation support, pay a premium. We are rapidly reducing available housing for those who live near installations via base closures. We also cause them to seek health care on the economy at additional expense to their families unlike their counterparts in the mainstream of the Army. Cost of living adjustments in conjunction with VHA is a must if we are to raise the pride in serving full time and their quality of life above the privation level they often find themselves in.

We must continue to raise the self worth of Army Reserve soldiers by letting them know that the public in general knows that they are indeed "Twice the Citizens" and that their country and their congress feels as proud of them as they do their Active Counterparts. After all we did a just job in "Just Cause" too.

CONCLUSION

Finally, let me say that every American is proud of their Armed Forces and our contribution not only to the defense of our nation, but also to the safeguarding of the freedoms and human dignity that millions across the globe are enjoying today. The Total Force of the United States has been a world-wide deterrent force which has and will always stand ready to defend the rights of individuals to govern themselves and live in peace with one another.

As our army faces the inevitable future of a smaller, more mobile and lethal army, we must protect the investment in this strong America by safeguarding the principles of a citizen-soldier force that has served this country since its beginning. A continued investment in the Guard and Reserve forces, avoiding the erosion of the great strides made in manpower and equipment readiness of the last decade, is a must if we are to project not only a deterrent combat ready force, but a total force that will be victorious on the battlefield if we must go to war.

For my part, having visited our Army Reserve in all corners of the world, I see Americans from all walks of life, balancing their commitment to serve their country with their family and employer needs. These Americans continue to need your support, good faith and vision to keep America strong through a Guard and Reserve force that stands ready with its active counterparts to defend freedom wherever you and our Commander-in-Chief send us.

Mr. Chairman, thank you for the opportunity of my career to tell you about your Army Reserve. I am proud to be their senior enlisted soldier here in Washington, D.C.



FOOTY 301
ARTHUR H. H. CH

DEPARTMENT OF THE ARMY
OFFICE OF THE CHIEF, ARMY RESERVE
WASHINGTON, D.C. 20315-5000



Command Sergeant Major, Army Reserve
Office of the Chief, Army Reserve
CSM Douglas E. Murray

CSM Douglas E. Murray was selected
to be the CSM, Army Reserve by the
Chief, Army Reserve reporting to the
Pentagon on 12 January 1987.



CSM Murray serves as the Senior Enlisted Advisor to the Chief, Army Reserve and the staff on all matters pertaining to the 600,000 men and women in the United States Army Reserve with special focus and emphasis on NCO and enlisted issues. As the Senior Enlisted for his component, CSM Murray also serves on the Department of Defense Reserve Forces Senior Enlisted Advisor's Council in support of the Assistant Secretary of Defense (Reserve Affairs). CSM Murray participates in the Sergeant Major of the Army's Major Command (MACOM) Command Sergeants Major conference and workshops dealing with enlisted concerns and initiatives in the Total Army.

CSM Murray was born in Chicago, Illinois on 9 February 1938 and was raised in Peoria, Illinois until his college deferment expired and he was drafted in 1961 to fulfill the Berlin Crisis needs of the Army. CSM Murray spent two years in Germany before beginning his Army Reserve career.

CSM Murray attended Bradley and Western Illinois Universities and is a graduate of the Senior Noncommissioned Officer Course. CSM Murray has over 28 years of active and reserve service and over 13 years as a Sergeant Major. CSM Murray previously served as the first Command Sergeant Major of the U.S. Army Reserve Personnel Center (ARPERCEN) in St. Louis from July 1984 to January 1987. Other assignments include the CSM of the 102D United States Army Reserve Command from July 1980 through June 1984, and in three major U.S. Army Reserve Commands (86th USARCOM, Chicago, IL; 79th USARCOM, Philadelphia, PA; and the 102D USARCOM) in positions of NCO leadership and increasing responsibilities from Commo Chief and Movements NCO to First Sergeant, to Logistics Sergeant Major culminating in appointment to Command Sergeant Major in November, 1980.

CSM Murray's awards and decorations include the Meritorious Service Medal with Second Oak Leaf cluster, the Army Commendation Medal with Second Oak Leaf cluster, the Good Conduct Medal with device, the National Defense Service Medal, the Armed Forces Reserve Medal with Hour-glass device, the Army Reserve Components Achievement Medal with Third Oak Leaf cluster, the NCO Professional Development Ribbon, the Army Service Ribbon, and the Overseas Service Ribbon.

CSM Murray's 21 year civilian career culminated as a marketing executive with three major U.S. health care corporations prior to recall to active duty. CSM Murray's executive marketing expertise covers the fields of sales, product development through acquisitions and joint ventures.

CSM Murray resides in quarters at Ft. Myer, Virginia and has been married for over 25 years to the former Eva Mae Martin of Ogden, Illinois. The Murray family includes their daughter Dawn, a cum laude graduate for Southwest Missouri State University, Springfield, Missouri, and a marketing executive with IBM and their son, Greg, a college sophomore. CSM Murray is a member of the Christian Church (Disciples of Christ), the NCOA and AUSA organizations and remains active in the community in both St. Louis where they retain residence and Northern Virginia.

Mr. HEFNER. Sergeant Major Blackwood, I understand you have roots back in North Carolina?

Sergeant Major BLACKWOOD. That is correct, Mr. Chairman.

Mr. HEFNER. We are happy to have you here.

You can summarize your statement. Your entire statement will be made part of the record.

SUMMARY STATEMENT OF COMMAND SERGEANT MAJOR BLACKWOOD

Command Sergeant Major BLACKWOOD. Good morning.

Again I, as my fellow colleagues, am honored to appear before you this morning to give you a status report on the Army National Guard Enlisted Corps, America's team, citizen soldiers at their best, and provide you with information on the issues that affect the over 409,000 enlisted soldiers in our ranks.

You have my written statement for the record.

However, I would like to briefly highlight four key points for you, sir.

First, today our Army National Guard is a better trained, better equipped, better led force than at any time in our 353-year history. Much of this can be attributed to the outstanding support and the confidence that you and your colleagues have provided to our force.

Second, we must not forget that our personnel are our most valuable asset. As we enter the decade of the nineties, we face the uncertainty that accompanies budget restraints and force structure reductions. Our enlisted soldiers are concerned with rumors that continue to surface in these areas. They ask for your support to ensure that the capabilities and strength of the Active and Reserve forces are integrated in a cost-effective manner and that mission requirements versus capabilities are also considered. We must make competent decisions that are well thought out in order to eliminate as much turbulence within the ranks as possible.

Third, our full-time support force is a combat multiplier in the Army National Guard. Stabilization and continued additional full-time support for this elite cadre is a must for us to continue to sustain our readiness levels, which in turn will allow our units more dedicated time to train in their assigned missions during Active duty and Active duty training periods.

Fourth, in closing, let me reiterate that our highly dedicated and quality soldiers are volunteers from communities such as yours throughout this great Nation. They have proved that they can and will meet the demanding challenges that lie ahead when properly trained and resourced. This outstanding citizen soldier force has earned and fully deserves your support.

I will be glad to answer any questions you might have at this time, sir.

[The statement of Command Sergeant Major Blackwood follows:]

STATEMENT OF
CSM G. STEVEN BLACKWOOD
SENIOR ENLISTED ADVISOR, ARNG
ENLISTED ISSUES
FY90

Mr. Chairman, distinguished committee members, as the senior enlisted soldier of the Army National Guard, I appreciate the opportunity to appear before you today to give you a status report on our Army National Guard Enlisted Corps and provide you with information on issues that affect over 409,000 enlisted soldiers of our Army National Guard. I would also like to sincerely thank you in their behalf for your outstanding support which has been a major factor in our increased readiness, better training opportunities and professional development.

Today the Army National Guard is a better trained, better equipped and a better led force than at any point in our distinguished history. Our role has evolved far beyond anything our forefathers could possibly have envisioned when the North, East and South regiments of the Massachusetts Bay Colony were organized on 13 December 1636 by authority of the General Court at Boston. The four oldest military units in the National Guard and Army are the 181st Infantry, the 182nd Infantry, the 101st Field Artillery and the 101st Engineer Battalion, all of which still exist today in the Massachusetts Army National Guard. Army National Guard soldiers have made numerous sacrifices and have worked tirelessly to achieve our goals over the past 353 years. Our soldiers provide this great nation with an effective, reliable and creditable military force which is capable of deterring aggression against our nation or its allies. Today's Army National Guard constitutes a sizeable percentage of our nation's defense capability in addition to providing assistance during natural disasters and other civil emergencies to our local communities. Now more than ever our Noncommissioned Officers face many significant challenges in this new decade. Projections of reductions in the funding during this decade will require us to search for innovative ways to man, train, equip and sustain our force. We must do this successfully in order to make the best possible use of the resources which you and the American people have entrusted to us.

This past year we reached an all time high in strength in our Army National Guard by closing out the fiscal year with an end strength of 456,960 soldiers. However in achieving higher strength, we have not sacrificed quality. Over 90% of our accessions have a high school diploma or equivalent while less than 9% of our total accessions are in mental category IV. During this same period, our attrition rate was held to a record low of 17.6% which resulted in a significant resource savings.

During this past year we continued to provide tough, realistic, safe, mission oriented training opportunities for our soldiers, thereby significantly enhancing our readiness. During Fiscal Year 89, over 22,000 Army Guard soldier participated in training exercises overseas. Not only is this training valuable because it allows soldiers to train in their unit's wartime theater under realistic conditions, but an invaluable amount of experience is gained by unit staffs during the deployment and redeployment phases.

In addition to overseas training our guardsmen continue to maintain a high level of proficiency by training in realistic combat environments at both the National Training Center and the Joint Readiness Training Center. Currently four battalions are scheduled to train at the National Training Center in Fiscal Years 90 and 91 and two battalions in Fiscal Year 92. Also at the National Training Center, fourteen separate companies will be

integrated into the opposing forces during Fiscal Year 90 with another ten companies during Fiscal Year 91. Two battalions participated in training rotations at the Joint Readiness Training Center in 1989 while current plans call for a single battalion rotation in Fiscal Year 90 and two more battalions in Fiscal Year 91. Army National Guard soldiers continue to receive training on current tactics, doctrine and systems from both Active and Reserve Component Schools as a part of the Noncommissioned Officer Education System. This training is essential since it teaches and sustains the tactical, technical and leadership skills necessary to assure our ability to field a combat-ready Noncommissioned Officer Corps which, on minimal notice, can deploy, fight and win on the battlefield.

During the past several years, the Army National Guard has received new and displaced army equipment which has greatly improved the modernization of our combat units. This increase represents the acquisition of major weapons systems such as the M1 Abrams Main Battle Tank; M60A3 Tank with thermal sights; Improved Tow Vehicle; M198 Howitzer; Chaparral Air Defense Weapons; Heavy Expanded Mobility Tactical Truck; and the High Mobility Multipurpose Wheeled Vehicle. Despite these significant gains, the Army National Guard still has a shortage of \$6.9 Billion of equipment which is needed to perform our mobilization mission to full capability. Critical shortages remain in the area of medium and heavy tactical wheeled vehicles, tactical communications equipment and several support items such as tools, test sets and fuel handling equipment. Continued congressional support of the dedicated procurement program will allow us to continue to field end items and components which will improve our readiness. We will continue to resource high priority units based on the Army National Guard director's guidance, and the Active Army's concept of "first to fight, first to be resourced."

Our ability to sustain our quality force and make optimum use of all resources will be the key to success in the future. The Noncommissioned Officer Corps is prepared to provide the effective leadership which is necessary to ensure our continued success.

During Fiscal Year 89, the Army National Guard was called upon again to perform expanded counter narcotics activities in support of local, state and federal law enforcement agencies. During this period our dedicated soldiers came through with flying colors. All total, 107,348 mandays were used in the execution of 1,811 separate support missions. Our soldiers were assigned duties that paralleled, as closely as possible, their individual Military Occupational Specialty. This provided an opportunity for our soldiers to receive training benefits while supporting counter narcotic operations. Our combined efforts with Local and Federal law enforcement agencies have resulted in confiscation of drugs and cash with a net value of approximately 12 billion dollars.

Our personnel are our most valuable asset! These dedicated men and women who voluntarily serve in today's Army National Guard do so without reservation and are willing to make many sacrifices which impact on their families and employers. These soldiers are willing to put their lives on the line for the freedom we cherish and to protect the integrity of this great nation. We must continue to demonstrate that we care for our personnel by ensuring that we:

- * Provide fair and equitable pay. Since 1982 military pay has lagged behind the private sector by almost 11 percent. If this disparity is allowed to continue, we could face a dilemma where the "opportunity pay" our guardspersons can obtain through other sources, such as overtime shifts or attractive part time jobs, could cause a number of quality

soldiers to leave our ranks.

- * Continue to provide tough realistic training in a safe environment for our soldiers. Potential force reductions will undoubtedly impact on our CAPSTONE alignments in the future. The Key Personnel Upgrade Program; Overseas Deployment Training; training at The National Training Center; Battle Command Training Program; The Joint Readiness Training Center; Battle Command Training Program and the Joint Chiefs of Staff exercises are vital to accomplish the Army National Guard's mission of providing combat ready units in support of the Total Force. At the same time, we must continue to modify training strategies which will allow us to be more sensitive to protect our environment.
- * Continue to provide maximum opportunities for our soldiers to improve their civilian and military education and participate in professional development programs. The Montgomery GI Bill has been extremely vital in our ability to recruit the quality soldier required in today's modern Guard. Education is critical to the basic skills of our soldiers, new equipment training and career progression.
- * Continue to provide modern weapons systems and components that will give us an advantage on the battlefields of the future.
- * Continue to provide emphasis on our Family and Employer Support Programs. Many of our soldiers currently exceed the thirty-nine day training requirement due to the type of unit and numerous training missions assigned to those units. Active Family and Employer Support Programs will be essential to our success in the future.
- * Continue to pursue the authority for Army National Guard soldiers who have retired, but not yet reached eligibility for immediate annuity, to use non-appropriated activities such as the post exchange and other morale and welfare fund activities available on active duty installations (i.e., "Grey Area" benefits).
- * Continue to pursue quality medical care for our Active/Guard Reserve soldiers and their families. During recent years the expansion of the Active/Guard Reserve Program has had a significant impact on the availability of care at military installations for soldiers and their dependents. Base realignments and closures will further reduce the availability of these medical facilities. At the same time, problem still exists with CHAMPUS as a support system for this care.
- * Continue to pursue and support legislation to remove grade restrictions and have grade strength be based on war-time unit manning documents and budgeted funding levels. Growth in the full-time support authorizations in Fiscal Years 88 and 89 has not kept pace with increased force structure and unit conversions resulting from modernization programs. We can no longer accept major units without adequate full-time support resources. We strongly encourage initiatives that will support additional military technicians to satisfy our manpower requirements in Fiscal Year 91. In Fiscal Year 90, we were authorized requirements of 41, 996 Active/Guard

Reserve personnel, but we were only able to support our units with 26,164 authorizations. This left us with a shortfall of 15,832 which has caused us to institute redistribution of Active/Guard Reserve authorizations to ensure minimum manning for all units. However, this is a partial fix to a shortage problem which can only be resolved with additional growth.

- * Continue to support the new construction and renovation of our armories and training facilities to accommodate expanded training opportunities and mission requirements. The Fiscal Year 90 military construction budget of \$66.6 million concentrated on modernized or new training ranges, regional centers, logistical and maintenance facilities necessary for new weapon systems and armories for more extensive home station training. These facilities are becoming complex and more costly to construct and maintain than in the past. Expansion of the local training area concept is a necessity in order to maximize training opportunities while reducing material operating costs. Currently we have a backlog in our construction budget of \$2.8 billion which represents over 7000 projects.

There seems to be little doubt that our total-force structure is about to undergo some rather drastic changes. Much of this debate centers around the appropriate force mix between the Active Component and reserve forces. Our soldiers ask for your support to ensure that the capabilities and strengths of the active and reserve forces integrated in a cost effective manner. The Total Force Policy study hopefully will provide insights based on mission requirements versus capabilities and in turn, reduce soldier turbulence as much as possible. If force structure reductions become absolutely essential, then we must be willing to support a form of severance pay for our quality, career soldiers who may be forced to leave our ranks.

In closing, I hope that our nation will never be reluctant to rely on Army National Guard units in times of crisis or in contingency situations. Operations such as "Just Cause" in Panama have proved that when Army Guard soldiers are involved, they can accomplish the mission. Both the congress and this great nation have placed a high degree of trust in the National Guard because they realize that this is an investment in our country's future. The soldiers of the Army National Guard have done everything that our national leadership and the Congress have required. We continue to accept increased federal and state missions that places immense demands on our soldiers. We expect our soldiers to be prepared to mobilize, deploy, fight and win, if required, with little notice and minimum training once activated. Our soldiers are the members of your hometown districts who have proven time and time again that they can and will meet all challenges when properly trained and resourced. These dedicated citizen-soldiers have earned and fully deserve your support!

Thank you for the opportunity to share my views on our Army National Guard. This concludes my remarks, and I will be glad to answer any questions that you may have.

BIOGRAPHICAL SKETCH

CSM GEORGE S. (STEVE) BLACKWOOD

COMMAND SERGEANT MAJOR STEVE BLACKWOOD WAS BORN IN DURHAM, NORTH CAROLINA, 8 JUNE 1944. SINCE HIS ENTRY IN THE NORTH CAROLINA ARMY NATIONAL GUARD IN JULY 1965, HE HAS SERVED IN EVERY NONCOMMISSIONED OFFICER LEADERSHIP POSITION TO INCLUDE STATE COMMAND SERGEANT MAJOR, NORTH CAROLINA NATIONAL GUARD.

HE WAS SWORN IN AS THE THIRD COMMAND SERGEANT MAJOR OF THE ARMY NATIONAL GUARD ON 15 MAY 1988 AND SERVES AS THE PRINCIPAL ENLISTED ADVISOR ON ALL MATTERS CONCERNING THE ENLISTED FORCE OF THE ARMY NATIONAL GUARD.

HE IS A MEMBER OF THE DEPARTMENT OF DEFENSE RESERVE FORCES ADVISORS COUNCIL AND NUMEROUS OTHER BOARDS AND COMMITTEES. HE IS A GRADUATE OF CLASS 28, UNITED STATES ARMY SERGEANTS MAJOR ACADEMY WHERE HE WAS VICE-PRESIDENT OF HIS CLASS AND WAS THE FIRST RESERVE COMPONENT RECIPIENT OF THE AUSA AWARD FOR EXCELLENCE. CSM BLACKWOOD ALSO HOLDS A DEGREE IN GENERAL MANAGEMENT.

HIS AWARDS AND DECORATIONS INCLUDE THE MERITORIOUS SERVICE MEDAL W/1 OLC; ARMY COMMENDATION MEDAL W/1 OLC; AND THE ARMY ACHIEVEMENT MEDAL W/3 OLC.

COMMAND SERGEANT MAJOR BLACKWOOD IS MARRIED TO THE FORMER CAROLYN PLONSKI OF DURHAM, NORTH CAROLINA, AND THEY HAVE TWO SONS, JEFF AND JOE.

DOWNSIZING OF THE ARMY

Mr. HEFNER. Either one of you can take these questions.

It appears that the Active Army is going to undergo changes in the near future. How will the downsizing of the Army impact on your components?

Command Sergeant Major MURRAY. Obviously it is going to have some impact.

What that is in terms of numbers, we don't know yet for a fact.

What needs to be considered is the fact that we have Army Reserve soldiers who are in a career status of their own. So as we manage this build-down of the Active Army, we need to be as sensitive to their career status as we are to those who have built a career in the Active component.

Our experience tells us that only 50 percent of those who normally transition from Active Duty directly into the Army Reserve do not remain in the units after 12 months.

That percentage falls to 38 percent in the 18th month. So, if we are to secure the best qualified, then we should perhaps consider moving them into the Individual Ready Reserve, allowing them to get stabilized in Hometown, USA, determine what their future is going to be for their family in terms of employment in the civilian world, and then begin an aggressive recruiting effort to attract them to our units. By doing this the turbulence in the Army Reserve would be minimized.

Command Sergeant Major BLACKWOOD. We have some of the same concerns.

I suppose I could start by saying that uncertainty is the key word in downsizing. We are not really sure of what that is going to do to us in the Army Guard. It will have a direct effect though on the Army Guard regardless of what happens to our Active component force. There are a couple of additional significant things that probably will affect the Guard in addition to what Command Sergeant Major Murray mentioned. We are also concerned with the effect on our personnel. We return to ensure that we retain the quality force that we have today. There are some opportunities for us to have quality soldiers or accept quality soldiers from the Active component in case downsizing becomes a reality, but we have to be very careful to ensure that we protect the integrity of our current citizen soldier force.

EQUIPMENT

One of the most significant areas probably, sir, that will affect the Army Guard from a downsizing is receipt of equipment. As the Army downsizes, additional equipment will be added to the Guard.

As you know, the Guard is about 65 percent combat arms so that means that we will probably get a lot of equipment from the Active component. It will be really important for us as that equipment comes into our system we assure that the equipment is up to appropriate standards. If the equipment is not up to standard, then it causes additional problems for us in the area of support personnel for maintenance to get it to readiness level standards that are required.

That basically is the main concern in addition to what has already been mentioned, sir.

Command Sergeant Major MURRAY. Regarding equipment for the Army Reserve, let me say that it is unknown exactly how much of that equipment might become available as a result of the build-down of the active component. We need equipment for mission of combat support, service support in the Army Reserve; however, the equipment coming from the active component will be mostly used by combat arms units.

We have concerns in that area as well, and it should not detract from the dedicated procurement program that currently exists as a result of congressional efforts to fix equipment on hand in the Army Reserve.

My guess is that arrival of equipment from the active component won't affect the Army Reserve equipment inventory in any significant way; however, improvements over the next few years are still needed.

SECURITY AND MAINTENANCE OF EQUIPMENT

Mr. HEFNER. Do you have the resources to receive this equipment for maintenance and secure storage?

Command Sergeant Major MURRAY. We have not been keeping pace with the dedicated procurement program, and we have not been resourced in the level that we want in the area of maintenance and training and particularly security facilities that are sufficiently secure to store and maintain the equipment.

Because of congressional language in the fiscal year 1990 appropriations report, the Chief, Army Reserve is able to compete on a level playing field for resourcing, and the programmers have been building that resource requirement to handle the maintenance and that tails required in the POM that covers fiscal years 1992 to 1997.

However, in the case of facilities, sir, we are very far behind. It would take, from what I understand, some \$330 million every year in fiscal year 1992 to 1997 to get well in the facilities arena to enable the Army Reserve to accept and store all of our equipment in a secure manner and allow us to maintain it.

Mr. HEFNER. At that rate, what kind of a program would that be?

Command Sergeant Major MURRAY. Sir, if I might suggest, the dedicated procurement program has done a great deal over the last several fiscal years to start fixing the equipment on hand.

Mr. HEFNER. I am talking about the facilities.

Command Sergeant Major MURRAY. That is what I am driving to.

If we had a dedicated facilities improvement program that was modeled somewhat simply on the dedicated procurement program, then I believe we could be on a track that would fix the facilities requirement for secure storage of the equipment and maintenance of the equipment over the next POM years. However, in my view, sir, a dedicated facilities improvement program would have to be modeled somewhat after the dedicated procurement program where the Congress sets specific dollars aside to improve the facilities of the Army Reserves.

Mr. HEFNER. The reason I am asking these questions is that maintenance money is going to come out of Military Construction. Thank you gentlemen.

Mr. Miller, our colleague from Ohio, do you have any questions?

REQUIREMENT OF TANKS

Mr. MILLER. Yes, Mr. Chairman, I do have a few.

You spoke of the manpower that would be coming back to the United States, and the equipment, but I noticed you have a shortage of equipment such as tanks, the M-60A3 tank.

We have quite a problem right now deciding whether we should purchase additional M-1 tanks. Do you have that particular type of tank in your inventory now?

Command Sergeant Major BLACKWOOD. Yes, sir, Mr. Miller, we do.

In the Army Guard, we have the M-1 Abrams tank in our inventory. We still have the M-60A3 tank with thermal sights in our inventory. We still have some M-60s which is the older generation of the M-60 tank. Of course, as you can imagine, we would in the Army Guard very actively support the purchase of the M1A1 tanks for the Active component because, as you know, that is going to mean that hopefully we get the M-1s in the Army Guard which we believe that we need badly.

I would also tell you, however, that the M-60A3 tank is a good tank. It is doing a good job and we have quite a few of those in our inventory. I don't have the specific number on hand.

Our real problem with the Army Guard as far as critical equipment shortages, while we do have some in combat equipment, the majority of it is in heavy and wheeled tactical vehicle areas, tactical communications—that has lagged considerably for years in the Army Guard, and also miscellaneous items such as tools, test sets which have become vital to the systems of some of the sophisticated equipment we have.

CHAPARRAL MISSILE

Mr. MILLER. The personnel you have now, would they be trained to operate the high-technology systems that would come back and be filtered into the Reserves and Guards? I am thinking of the Chaparral missile. Do you feel that your people have the training to be able to handle that if it comes back in volume?

Command Sergeant Major BLACKWOOD. Yes, sir.

We do at this point in time—we have a pretty aggressive training program, sir, in the Army Guard, to prepare our soldiers to be able to operate effectively and maintain the equipment that we are receiving from the Active component now.

As you know, we currently have some Chaparral missiles in the Guard and some Hawk missiles.

It requires some considerable training for some of our soldiers to be able to come up to speed on that equipment, but the Active Army proponent schools have done a great job in preparing courses of instruction and tailoring it to our Guard and Reserve personnel so that they can attend those training courses which, in a lot of

cases, I might add are very long, and still be able to do to perform the mission they have to perform, sir.

EQUIPMENT SHORTAGES

Mr. MILLER. You say in your statement that you are also about \$6.9 billion short of the equipment that you need.

What is the highest priority that you feel you should have?

Command Sergeant Major BLACKWOOD. Our highest priority now would have to be medium- and heavy-tactical-wheeled vehicles. That and if I have to prioritize, I suppose that is number one; but number two, and a mighty close second, is tactical communications equipment, sir.

Those are two areas of shortfall right now.

DRUG INTERDICTION

Mr. MILLER. How are you involved in the narcotics operations?

You mentioned that in your statement, but how much time is actually used in that area?

Command Sergeant Major BLACKWOOD. We obviously have spent an awful lot of time in the counternarcotics arena in the past fiscal year in the Army Guard. We have expanded our mission tremendously in that area in the past year. This is not a new mission for the Army Guard. We have been doing this several years in the past, but it has really come to the forefront in fiscal year 1989. This past year, all 54 States and territories submitted approved plans to participate in counternarcotics.

We used, I think my statement says, sir, 107,348 man-days this past fiscal year and we didn't get started until April of last year, the fiscal year in the counternarcotics arena.

That covered about a little under 1,800 separate mission operations so we are very, very actively involved. It would not have been unusual at any point in time during this past fiscal year to see 2,000 Army National Guard personnel on duty at any one point across the Nation in counternarcotics activities.

I know you are aware of our basic mission. We are providing an awful lot of assistance in the area of cargo inspections both at border points, border crossing points, at seaports and international airports, aerial and ground reconnaissance and our surveillance operations is a big area for the Army Guard.

Radar and imaging missions that are unique to the Army Guard have also made a big part and probably one of our most important parts of the operation is our aviation support that we lend to State, local and Federal law enforcement agencies, this includes both our rotary and also our fixed wing aircraft.

TRAINING

Command Sergeant Major MURRAY. If I might take a moment of your time, I would like to comment on Mr. Miller's question regarding training the Army Reserve. We require a considerable amount of funding for training on a continuous basis, not only new equipment training, but also sustainment training. We have been working with our counterparts in the Army Guard in establishing regional training sites for medical and maintenance.

I think that as we look at whatever equipment may come, not only as a result of the dedicated equipment program, but also the build-down of the active component, we will need to sustain levels of training that will make us sufficiently proficient on that equipment.

So this is an issue that applies to the Army Reserve as well as the Army Guard.

Thank you.

Mr. HEFNER. Thank you.

We have other questions that we will ask for the record.

[CLERK'S NOTE.—Questions submitted for the record and the answers follow:]

OPERATION JUST CAUSE

Question. Many reservists/guardsmen participated in Operation Just Cause in Panama. Would each of you comment on the missions and response rate received in their callup.

ARNG Answer. The Army National Guard had two units conducting annual training in Panama when operation "Just Cause" began. Elements of the 1138th Military Police Company from Missouri were on rotation and were the only military police unit in Panama specifically trained to process Prisoners of War and civilian detainees. At 1600 hours on the first day, the unit had constructed a holding facility and was processing detainees. In total, the soldiers processed over 5,000 detainees. Although the unit was scheduled to complete its training and return home on December 21, over one-half its members volunteered to remain in Panama over the holiday period for an additional two weeks. Additional military police soldiers from Missouri, trained to perform the same mission, volunteered and were deployed to Panama for a two week rotation.

Members of the 125th Public Affairs Detachment, Minnesota Army National Guard were also performing annual training in Panama when the attack began. They were attached to the Southern Command Public Affairs Office to provide media coverage.

AR Answer. The Army Reserve's involvement in Operation Just Cause began with the announcement of the Joint Chiefs of Staff decision that qualified volunteer Civil Affairs and Special Operations Reserve soldiers would be required for humanitarian assistance, security operations and medical support in Panama. Concurrently, the U.S. Southern Command (USSOUTHCOM) requested to call to active duty of its Individual Mobilization Augmentees (IMA). Some 600 reservists volunteered for duty in Panama during the period December 1989 through March 1990. As of 31 March 1990, 375 of the volunteers had been ordered to Temporary Tours of Active Duty (TTAD) in Panama. These soldiers were assigned to the provisional Civil Affairs Task Force (CATF) or Individual Mobilization Augmentee (IMA) positions.

DRUG INTERDICTION

Question. Command Sergeant Major Blackwood, your guardsmen are currently participating in the drug interdiction/counter narcot-

ics arena. What roles do they play and do you believe their efforts have contributed to the United States policy on drug interdiction?

ARNG Answer. Participation in the area of counter narcotics is not a new mission for the Army National Guard; however, in fiscal year 1989 our role has expanded significantly in support of local, state and federal law enforcement agencies. Army National Guard soldiers are assigned duties that conform as nearly as possible, to their individual military occupational specialty. Routine duties include cargo inspection at border entry points, seaports and international airports; aerial and ground reconnaissance/surveillance operations; transport of law enforcement personnel and contraband; and various support missions to local law enforcement officials. Equipment used in these missions includes tactical ground transport and cargo vehicles; communications equipment; tactical radars; night vision devices; and both rotary and fixed wing aircraft.

There is no doubt that the Army National Guard efforts have had a significant impact in the area of counter narcotics. All 54 states and territories have plans approved and in fiscal year 1990, 41 States have conducted approximately 1,500 missions in support of local, State, and Federal law enforcement agencies.

COMMAND AUTHORITY

Question. The Committee has requested the Secretary of the Army to prepare a report on how to provide command authority to the Chief of Army Reserve. Command Sergeant Major Murray, does the enlisted soldier support the committee's position of providing command authority to the Chief of Army Reserve? Why?

AR Answer. With the exception of a small number of non-commissioned officers in key assignments, the specific issues addressed in Command and Control for the United States Army Reserve are probably transparent and therefore not as visible to the non-commissioned officer force. However, the enlisted soldiers of the USAR are faced with the same short-fused requirements caused by layering of headquarters, the same inefficiencies in headquarters automation, and the same lack of resources to do their job.

My twenty-one years of troop program unit service in three major Army Reserve commands, my last six years of active duty as the ARPERCEN and OCAR Command Sergeant Major, coupled with my twenty-one years in the corporate world of charts and mergers, tells me that you and your colleagues are right on target with this issue. The Chief, Army Reserve should be the Commander of the Army Reserve. The expensive duplication of effort and resources in the current layering of Command and Control structure must be reduced if we are to enhance the overall readiness of the Army Reserve. Having said all that, as a senior non-commissioned officer, I will support the Army's decision, whatever it may ultimately be.

Incidentally, I don't plan to retire, but plan to be an active supporter of the new Army Reserve.

ATTRITION RATE

Question. The Committee understands that the Army Reserve attrition rate is almost 30 percent. Command Sergeant Major Murray, why does the Army Reserve have such a high attrition rate? What needs to be done to adjust the rate downward.

AR Answer. In Fiscal Year 1988, the Army Reserve enlisted attrition rate was 32.5 percent. The 1989 attrition rate was 30.4 percent. The 1990 rate is projected to be approximately 31 percent. In September 1987, the Office of the Chief, Army Reserve awarded a 3-year contract to Westat, Inc. to conduct a retention survey of the United States Army Reserve (USAR) Troop Program Unit (TPU) soldiers. The purpose of the study is to examine the general retention climate within USAR TPU, identify the most important factors contributing to attrition, and propose solutions to retention/attrition problems. During 1989, the second year of the study, more than 17,000 soldiers in 2,500 units responded to the survey. The number one reason junior enlisted soldiers give for leaving the Army Reserve is failure to be promoted. Other significant contributors to attrition are pay problems and low pay. The Army Reserve attrition rate will come down as the overall quality of the force improves. This will be achieved by increasing the number of non-prior service soldiers recruited each year. Statistical analysis has shown that non-prior service soldiers attrit at a significantly lower rate than prior service soldiers. Increasing non-prior service accessions will improve retention and improve skill qualification throughout the USAR by sending new soldiers for job-specific training.

Question. Command Sergeant Major Blackwood, what is the enlisted attrition rate of the Army National Guard and are you satisfied with that rate?

ARNG Answer. During fiscal year 1989 the attrition rate in our Army National Guard was held to a record low of 17.6 percent down from 18.2 percent in fiscal year 1988 which resulted in a significant resource savings. This represents the second lowest attrition rate in the reserve components, second only to our Air National Guard. This would indicate that our soldiers are generally satisfied with the tough, realistic training requirements of today's modern Guard.

A survey of Army National Guard soldiers completed in July 1989 revealed some very interesting data. 82 percent of the soldiers said they remained in their units due to the camaraderie; 79 percent felt they were doing something worthwhile; 77 percent remained for the chance to defend their country; 73 percent because of leadership opportunities; and 70 percent for retirement benefits.

We will continue to pursue innovative ideas and programs in the future in an effort to keep our attrition late in the Army National Guard as low as possible.

PROFESSIONAL DEVELOPMENT PROGRAMS

Question. You both stress that participation in Professional Development Programs are essential to the reservists/guardsmen and that the Montgomery GI Bill is a valuable tool. However, the Committee understands that the Army Continuing Education System (ACES) has been eliminated in the fiscal year 1991 budget. What

impact does elimination of this program have on your ability to recruit and retain reservists/guardsmen? How much was budgeted in fiscal year 1989 and 1990 for this program?

ARNG Answer. The proposed fiscal year 1991 budget reflects elimination of \$6 million from the Operations and Maintenance accounts from the Army Continuing Education System (ACES) tuition assistance program. Montgomery GI Bill funds are now available for less than half time study, and this was used as the rationale for the elimination.

This could affect recruiting and retention incentives for Army National Guard soldiers since the Montgomery GI Bill does not pay for basic skills education, high school completion, or adult literacy training.

This education provides support for new equipment training, basic skills enhancement and for career progression. In fiscal year 1989, \$6 million was budgeted for Army Continuing Education System (ACES) and all \$6 million was committed. Likewise, in fiscal year 1990, \$6 million was budgeted and year-to-date, approximately \$4 million has been committed.

AR Answer. As you correctly indicated, office of the Secretary of Defense (OSD) recently terminated, in fiscal year 1991 and beyond funding for Tuition Assistance Program (TAP) of ACES. The justification was that the recent expansion of the Reserve Component Montgomery GI Bill (RC MGIB) to less than half-time studies resulted in redundancy between the two programs. The RC MGIB expansion now provides a full range of benefits and somewhat duplicates the TAP at less than half-time, except TAP does provide assistance to those soldiers who are not covered by the RC MGIB and also covers those remaining Selected Reserve (SELRES) soldiers and those soldiers transitioning from the Active Component into the SELRES that do not possess a high school diploma. TAP is used to fund high school completion and independent studies for members of the United States Army Reserve (USAR). Funds from TAP are also used by the Defense Activity for Non-Traditional Education Support (DANTES). This organization provides educational services to the entire Department of Defense and supports the USAR by providing education publications, college credit by testing and independent study courses. As stated above, the total elimination of TAP at this time is unsupportive of areas currently not covered by the RC MGIB or its current expansion. TAP may not show a significant gain in recruiting, but it is felt to be a major retention tool. The amount budgeted for fiscal years 1989 and 1990 was \$4.9 million and \$5.6 million, respectively. Until the RC MGIB is further expanded for soldiers who do not possess a high school diploma or those that have need of the high school completion equivalency test, some funding for fiscal year 1991 and beyond should be provided.

[CLERK'S NOTE.—End of questions submitted for the record.]

NAVAL RESERVE AND MARINE CORPS RESERVE

INTRODUCTION

Mr. HEFNER. Our next witnesses represent the Navy and Marine Corps Reserve.

They are Force Master Chief Jeffrey A. Brody, Senior Enlisted Advisor, Navy Reserve Affairs; and Sergeant Major E.L. Wright, Senior Enlisted Advisor, Marine Corps Reserve Affairs.

Force Master Chief Brody, please summarize your statement and your entire statement will be made a part of the record.

SUMMARY STATEMENT OF FORCE MASTER CHIEF BRODY

Force Master Chief BRODY. Thank you, Mr. Chairman. I appreciate it. Good morning. Thank you for allowing me to attend this morning and to talk to you about the enlisted Naval reservists in an official capacity.

I believe this is the first time that Senior Enlisted Advisors from the Reserve components have testified. We have strong, dedicated, and loyal enlisted Naval Reservists today primarily because of dynamic leadership displayed at every level of the chain of command. Our leadership have demonstrated that they care, and that same leadership is one of the major reasons why readiness and retention are as high as they are today.

The Total Force Navy has training available that creates job satisfaction and is on course to collectively enhance the reservists as viable members of the Total Force. The enlisted Naval Reservists are concerned with the budget, benefits, and base closures.

They feel the pressures of military life and are aware of all of the problems that face the Navy today. They are entitled to pay and allowances at age 60, but up to that point, are not allowed access to some benefits. They are concerned.

If I could leave you with one single trend of thought for our enlisted Naval Reservists, it would be acceptance as a military asset, and true American patriots. They have and will continue to earn the respect of their active duty counterparts. Teamwork is the answer to the success of our Nation and Navy. Our Enlisted Reserve Sailor is a true "citizen sailor" who stands by to be directed.

Thank you very much for your time. I will be glad to answer any questions that you may have.

Mr. HEFNER. Thank you very much.

[The statement of Force Master Chief Brody follows:]

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STATEMENT OF

FORCE MASTER CHIEF JEFFREY A. BRODY, U.S. NAVAL RESERVE

NAVAL RESERVE FORCE

BEFORE THE

HOUSE APPROPRIATIONS DEFENSE SUBCOMMITTEE

ON

RESERVE ENLISTED PERSONNEL

20 MARCH 1990

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APPROPRIATIONS DEFENSE
SUBCOMMITTEE

Mr. Chairman, distinguished members of the committee, as Force Master Chief Petty Officer of the Naval Reserve Force, I am grateful for today's opportunity to present my testimony on issues that affect the Navy's Enlisted Reserve Force.

My statement is representative of the enlisted Reserve sailors' views and concerns. I will begin by saying, sailors are sailors. By law, there are some minor differences in the management of Selected Reserve sailors and their active duty counterparts, but nevertheless, they are the same professional, hard-working patriots. The Naval Reserve sailor is the best trained and highest quality in the history of the Navy. On this 75th anniversary of our Naval Reserve, the Total Force commitment within Navy could not be more challenging or rewarding. The enlisted reservist has augmented and integrated almost every community within the fleet. Today, Naval Reservists are in hospitals with patients, at sea aboard Naval Reserve Force ships, on fleet exercises with the Seabees, tracking submarines in aircraft, ordering supplies, working in offices and participating in virtually every facet of Navy life. In the past 10 years, Naval Reserve sailors have volunteered for, and have been trained for, almost any scenario that could confront our Nation. They have truly been "citizen sailors" and I am proud to represent them before you today.

One of the most important retention factors in the Selected Reserve enlisted community is quality training. Another is job satisfaction. These sailors are hard-working achievers, and are

relentless in their quest for meaningful training in their mobilization billet in order to be ready to meet mobilization requirements and to provide that essential force multiplier needed to respond to the needs of the Navy. They see a true need for training with their active duty counterparts, to be a part of that same Navy, to pass the same test of readiness and to go to war if necessary with their active brethren. Their support and love of the Navy is constant and sincere.

These loyal and dedicated sailors have seen many changes and career challenges over past years and they continue to train hard to become even more an asset than ever before -- driven by a work ethic worthy of emulation. During their drills, and on annual and active duty training, they train, provide mutual support and perform at unprecedented levels of productivity. They serve on weekends, weekdays, in the morning, afternoon and night. They are journeymen, apprentices, students, carpenters -- "workerbees" and white collar workers who have been training hard to make our system work.

These talented Naval Reservists are volunteers who serve unselfishly and give up their weekends which could easily and pleasantly be spent with family. Their training to meet wartime requirements is not an easy task. Many variables must fall into place in order for their training to be performed efficiently and effectively. Transportation, berthing, messing and professional instruction utilizing modern equipment and current technology must all be provided, and must all come together. We have an obligation to provide this support and

protect the selfless motivation which is the lifeblood of our very capable Naval Reserve Force. The contribution of a reservist's time cannot be bought; we can, however, invest in that commodity. It pays a great dividend!

I want you to know that the enlisted Naval Reserve community appreciates the many positive actions you have taken on their behalf - the Montgomery G.I. Bill, portal-to-portal insurance coverage, commissary usage, pay raises and state-of-the-art equipment which has been made available through horizontal integration. Our sailors appreciate it all. We cannot afford to train our sailors on old technology when many of them bring knowledge of modern technology from the civilian community. We must take advantage of their enthusiasm and professionalism and continue to support them with horizontal integration of modern ships, aircraft and equipment into the Reserves, and an active furtherance of the total force policy.

The Master Chief Petty Officer of the Navy appeared before this committee and addressed basic pay issues for all of our sailors; but, I might add that our enlisted Naval Reservists count on that pay also, and the issue of fair compensation is close to becoming a dissatisfier. Reservists are keenly aware their military pay lags almost 11 percent behind the private sector, using the Employment Cost Index. Enlisted Naval Reservists are not going to get rich from drill pay; but, they earn it, and they would like to have a fair return for their efforts.

One of the things which must be considered as force structure and infrastructure are reduced is the impact on our Selected Reservists. For example, the potential of base closures is a particular concern to our enlisted Selected Reservists who train and drill at those bases. Many of these Selected Reservists already travel great distances to drill, but the majority are local, and cannot regularly travel long distances to meet their Reserve commitments. Where the enlisted Reservist lives is their choice and, basically, it is where they derive their primary source of income. Some of our qualified reservists may be lost when bases are closed and this should be a consideration when base closure decisions are made.

Most enlisted Naval Reservists are veterans, who, after successfully completing a tour with the Active Forces, and for various reasons, decided to "get out of the Navy" and go into the civilian sector. Most leave active duty not because they dislike the Navy or the military, but because they just simply have other things to do. They want to finish their education, want to get that good paying and satisfying civilian job they sometimes hear about and perceive to be a good deal, or they just want to try something different. They, more than most, realize that freedom is not without a price. These outstanding citizens, or "part-time regulars" as they are sometimes referred to, want to be a major part in preserving our freedom. Being a Naval Reservist allows them to do exactly that.

These truly dedicated patriots are valuable to our way of life as we know it, and would be impossible to replace. They provide us with a trained manpower pool who can, and will, serve where and when called upon. They have faith in themselves and in the Navy system. Our reservists of today are intelligent, clear thinking, and cannot be fooled with bureaucratic rhetoric. They seek an environment that enables them to achieve their mission and career goals. Our collective efforts have been successful in bringing about the best managed Naval Reserve in history. Our job will never be totally completed; there will always be the need to recruit, train and retain the best people available - and we will meet that challenge.

The Naval Reserve Force does not want trained sailors to leave active duty service after their first enlistment; but, if they do, it is then that we must strive to keep their talent and experience in the Naval Reserve. It is essential that we have them for the future of our Nation. We must have this trained asset when needed. The Total Force which is Navy is on the right track. We must continue to ensure that our enlisted reservists are trained right alongside their active duty counterparts in order to be ready. Our Nation cannot afford not to be ready. I am asking for support of these "twice a citizen" sailors; they are the guarantee that our way of life today will be preserved for the future.

Force Master Chief Jeffrey A. Brody
Naval Reserve Force

Force Master Chief Jeffrey A. Brody, a native of Ottumwa, Iowa, began his naval career in September 1960. After 16 weeks of recruit training, he was assigned to Hospital Corpsman "A" School in San Diego. Upon completion of Fleet Marine Force "C" School at Camp Pendleton Marine Base, he was transferred to the dispensary at Treasure Island, San Francisco, where he remained until his expiration of active duty in September 1964.

In 1965, Force Master Chief Brody married the former Sharon Ann Reilly of San Francisco and returned to Iowa where he re-enrolled at the University of Iowa. With a desire to continue his naval service, he joined the Naval Reserve and drilled at Naval Reserve Center, Iowa City.

Upon receipt of a Bachelor of Science and Nursing degree in 1967, Force Master Chief Brody was recalled to the Training and Administration of Reserve (TAR) program and was assigned to Naval Air Reserve Training Unit (NARTU) Norfolk. While in Virginia he attended Independent Duty Hospital Corpsman School at Portsmouth, graduating with a Navy Enlisted Classification Code after the 22-week course.

In 1969 Force Master Chief Brody became a plank owner of NARTU Naval Air Reserve North Island, San Diego, and remained there until 1974 upon receiving orders to Naval Air Reserve Alameda.

Force Master Chief Brody transferred in 1977 to Naval Air Station, Willow Grove, and in 1980 left for duty at Naval Reserve Readiness Command, Region Thirteen, Great Lakes.

Upon advancement to master chief petty officer in 1982, Force Master Chief Brody traveled south to New Orleans, and assumed the duties of Medical Program Manager and Command Master Chief on the tri-staffs of Commander, Naval Reserve Force; Commander, Naval Air Reserve Force; and Commander, Naval Surface Reserve Force. He was selected as Force Master Chief in April 1988 while assigned as Command Master Chief, Naval Reserve Readiness Command, Region Twenty, San Francisco.

Force Master Chief Brody's awards include the Navy Commendation Medal (three awards), Navy Achievement Medal, Navy Unit Commendation, Good Conduct Medal (six awards), National Defense Service Medal, Armed Forces Reserve Medal (with hour glass), Expert Rifle Medal and Expert Pistol Shot Medal. He is also a designated air crewman.

Force Master Chief and Sharon Brody have two children, Paul and Erin.

Mr. HEFNER. Sergeant Major Wright.

SUMMARY STATEMENT OF SERGEANT MAJOR WRIGHT

Sergeant Major WRIGHT. Good morning, sir.

Mr. Chairman and distinguished members of this committee, as the voice of the enlisted Marine Corps Reservists, I am pleased and privileged to speak to you today on the concern of the enlisted Marine Corps Reservists.

The Marine Corps Reserve is alive and well in the total force concept. We are ready, willing, and able to meet the challenge of today's and future commitments. I thank this committee for its support in allowing us to be here and thank you for helping us with the things that we have accomplished in the Marine Corps Reserve.

Sir, I offer my written statement for the record and look forward to answering any questions that you may have.

Thank you.

Mr. HEFNER. Thank you, Sergeant Major.

[The statement of Sergeant Major Wright follows:]

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STATEMENT OF
SERGEANT MAJOR E. L. WRIGHT, JR.
SENIOR ENLISTED RESERVE ADVISOR
TO THE COMMANDING GENERALS
OF THE 4TH MARINE DIVISION
AND THE 4TH MARINE AIRCRAFT WING, NEW ORLEANS, LA
BEFORE THE
SUBCOMMITTEE ON DEFENSE
OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES
ON THE
RESERVE ENLISTED PERSONNEL
20 MARCH 1990

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SERGEANT MAJOR EARL L. WRIGHT JR., USMCR

Sergeant Major Earl L. Wright Jr. is the Senior Enlisted Reserve Advisor to the Commanding Generals of the 4th Marine Division and 4th Marine Aircraft Wing, New Orleans, Louisiana.

Sergeant Major Earl L. Wright Jr. was born in Brooksville, Florida on November 23, 1943. He graduated from Moton High School and attended Tuskegee Institute before enlisting into the Marine Corps on Jan. 23, 1963. He underwent recruit training at the Marine Corps Recruit Depot, Parris Island, S.C., and then attended infantry training at Infantry Training Regiment, Camp Geiger, N.C. Upon completion of infantry training, he was assigned to Headquarters and Service Company, 2nd Amphibious Tractor Battalion, 2nd Marine Division, Camp Lejeune, N.C.

Ordered to A Company, 1st Amphibious Tractor Battalion, Camp Pendleton, Calif., he served as a driver and acting crew chief. Upon completion of this assignment, he transferred to Marine Barracks, Jacksonville, Fla., where he served as corporal of the guard and senior military police supervisor.

In 1965, he returned to H&S Company, 1st Amphibious Tractor Battalion, and subsequently deployed with that battalion to Okinawa, and then to the Republic of Vietnam. During this tour of duty he was assigned as a platoon sergeant and platoon leader, receiving the Navy Achievement Medal with Combat "V" for his service.

He then returned to the 2nd Amphibious Tractor Battalion at Camp Lejeune, where he served as a company career planner/training NCO. During this period he was assigned to Cape Kennedy, Fla., as a crew chief for the support group for NASA.

Sergeant Major Wright returned to Vietnam in 1969, for a second tour of duty, serving as the logistic chief for the 1st Amphibious Tractor Battalion. During this tour, his primary Military Occupational Specialty was changed to Military Police.

Upon transferring back to the States, he was assigned to Inspector-Instructor duty with the Marine Corps Reserve Unit in Pittsburgh, Pa. After the redesignation of the Marine Corps Reserve Unit in Pittsburgh, he was reassigned to Inspector-Instructor duty in Baton Rouge, La., and then to Camp Lejeune, where he was assigned in the Military Police Field.

He was released from active duty in 1974 and reenlisted in the Marine Corps Reserve. During the next seven years he served in a variety of positions in the Selected Marine Corps Reserve, to include assignment as the First Sergeant of an infantry company, First Sergeant of a military police company, and First Sergeant of a weapons company.

In 1982, he returned to active duty with the Full-Time Support Program and was assigned as the non-commissioned officer in charge of a prior service recruiting region and later as the Sergeant Major of the region.

Sergeant Major Wright assumed his current assignment as Senior Enlisted Reserve Advisor to the Commanding Generals of 4th Marine Division and 4th Marine Aircraft Wing in New Orleans on Jan. 12, 1990.

His decorations and medals include: Navy Commendation Medal, Navy Achievement Medal with Combat "V", Combat Action Ribbon, Presidential Unit Citation, Navy Unit Commendation, Meritorious Unit Commendation, Good Conduct Medal (6th Award), Selected Marine Corps Reserve Medal, National Defense Medal, Vietnam Service Medal with three stars, Vietnam Cross of Gallantry Device, Vietnam Civil Action Medal with Device, and the Vietnam Campaign Medal with Device.

(Revised March 7, 1990 HQMC)

Mr. Chairman and members of the Committee,

It is an honor to appear before you today and to speak about our Reserve enlisted Marines. This is my first opportunity to address this Committee since becoming the Senior Enlisted Reserve Advisor to the Commanding Generals of the 4th Marine Division and the 4th Marine Aircraft Wing in New Orleans.

The international security environment has dramatically improved and the "threat" for now has apparently diminished. Nevertheless, the enlisted men and women of the Selected Marine Corps Reserve (SMCR) are prepared should the need arise. Our readiness and professionalism are at an all time high. The Marine Reserve has served as a full and active participating partner since the inception of the Total Force Policy.

The Selected Marine Corps Reserve, if required, can be called on to provide approximately 30 percent of the manpower and one fourth of the structure of the Marine Corps upon mobilization. The 266 division and force service support group units and detachments, and 118 aircraft wing units and detachments are located at 193 locations within the continental limits of the United States, Alaska, Hawaii and Puerto Rico. These units are manned by over 35 thousand enlisted Reservists who are the most important and crucial element in maintaining a capable and combat ready Marine Corps Reserve.

RECRUITING

As we approach Fiscal Year 1991 the Corps is well prepared to maintain our enlisted Reserve force. In order to maintain our high level of combat proficiency, the Marine Corps Reserve must continue to attract and retain the quality of individuals we have today. Over 98% of our Reserve enlisted Marines are high school graduates and of those less than 1% are in Armed Forces Qualification Test category IV. These Reserve Marines join for a variety of reasons ranging from pay, benefits and retirement, to the challenge of being a Marine and the strong desire to serve. Our Reserve enlisted Marines understand the uncertainties that exist in the present fiscal environment. The Congressional Budget Office has proposed a variety of changes that threaten the current pay and retirement structure of the Marine Corps Reserve. If these changes are implemented, I am concerned that our recruiting of both prior service and non-prior service Reserve enlisted Marines will be adversely affected. We must continue in the 90's with dedication and commitment to our Reserves. That will ensure our continued success.

TRAINING

From Basic Warrior Training at the recruit depots and throughout their careers, Marines are trained as riflemen first.

In order for every Marine, whether Active or Reserve, to be combat proficient, it is of paramount importance that training be given the highest priority. Training must be mission oriented, challenging and hands on because of its great impact on morale and retention. Participation in major exercises here at home and abroad is critical to mobilization readiness, recruiting and retention. Exercises are the culmination of military occupational specialty training, professional education, and small unit training conducted throughout the year. Participation in major exercises affords Reservists the same type of opportunities as their Regular counterparts to develop, maintain and, more importantly, hone their combat skills. Through the Designated Augmentation Unit (DAU) program, Active and Reserve integrated training will continue to increase and expand. The following is provided as a schedule of major exercises for FY90:

<u>EXERCISE</u>	<u>#ENL</u>	<u>UNITS</u>
ALPINE WARRIOR Ft. McCoy, WI	1040	2/24, 3/25 6thEngSptBn, 4thSupBn VMGR-234, HML-776, MASS-6 Det A
Combined Arms Exercise 29 Palms, CA	2093	1/23, 2/24, 4thTkBn, 3/14, 4thFSSG Dets, VMGR-234, VMFA-321, HML-767, MASS-6 Det A
Combined Arms Exercise 29 Palms, CA	1997	3/23, 3/24, 1/14, 4thFSSG Dets, VMGR-234, HML-767, MASS-6 Det A
DISPLAY DETERMINATION Mediterranean	75	34th ITT, 4thANGLICO, 4thFSSG Dets
Mountain Trng Ex Bridgeport, CA	600	4thFSSG Dets

SOLAR FLARE Camp Lejeune, NC	2303	1/25, 4thAAVBn, 4thFSSG Dets, VMGR-452, HML-771, MASS-6 Det A
TEAM SPIRIT Korea	220	6thCommBn, 3dCAG, IRR
TEAMWORK Norway	1106	2/25, 6thEngSptBn, VMGR-234, H&HS-47, MASS-6 Det A

Participation in major exercises such as these provide the Reserve enlisted Marine a chance to put into practice the skills for which he has been trained. This gives the Reserve Marine a sense of responsibility and accomplishment which contributes to accession and retention. These major exercises along with the DAU program continue to prove their cost effectiveness. With your continued support, these and future exercises will play a key role in fine tuning our combat readiness and ability to attract and retain quality personnel.

PROMOTION AND RETENTION

Since the inception of the Total Force Policy, there has been an increased reliance on Reserve members and units. Consequently, much attention is focused on our ability to retain quality Marines. Our promotion and retention programs are designed to achieve the combination of age, experience, and skills needed for unit effectiveness. If these combinations are out of balance, a unit's combat effectiveness and mobilization readiness will be jeopardized.

A great deal of time and effort has been devoted to the development of our enlisted promotion system to ensure that it

provides a fair advancement opportunity for all Marines. The needs of the Marine Corps along with those of the individual Marine are a delicate balance that require a constant monitoring.

Your continued support of the current pay system including incentive programs such as reenlistment bonuses for our Reserve enlisted Marines will prove beneficial in our ability to retain qualified and combat ready Reserve Marines.

RETIREMENT

Retirement plays a key role in Reserve retention. The potential to supplement their retirement years with a pension from the Reserves is a real incentive for Reserve enlisted Marines to remain beyond their obligated service period. The retirement plan must remain attractive so that our level of expertise and seasoned leadership in the Reserve senior enlisted ranks remains high.

CONCLUSION

In conclusion I would like to say that our Reserve enlisted Marines are dedicated professionals who have made a patriotic commitment to our Nation. They are an indispensable asset to the Marine Corps in meeting its role as our Nation's force-in-readiness.

We believe we are on track with an affordable and executable program that maximizes the Marine Corps Reserve contribution to the Total Force. Congressional support in the past has reaped dividends that will continue to appreciate in value.

In the final analysis, the value of the Marine Corps Reserve lies in its readiness. The support of the American people and their Congressional Representatives would not be justified if the Marine Corps Reserve did not make a concrete contribution to our national security. All indicators show great progress has been made in reaching this objective. There is truth to the axiom, "quality begets quality." The Reserve enlisted Marines today are well trained, equipped, and prepared to respond. They are capable and, with your continued support, will remain a sound investment for the future.



EQUIPMENT

Mr. HEFNER. I have a question that I asked the other witnesses.

As your component is receiving more modern equipment, do you also receive the required support for this equipment, such as funds for training, maintenance and secure storage?

Force Master Chief BRODY. Yes, sir.

We consider that the training and support funding that comes to the Naval Reserve is adequate.

However, there are unfunded requirements. I won't say that we don't need more money for the Naval Reserve, but I think that the support that we receive from the Active Force and from you, is adequate.

Sergeant Major WRIGHT. Sir, at this time, I do think that we are adequately being supported and are receiving new equipment for the Marine Corps Reserves.

An example of this is at this particular time, as I speak, the National Guard training support is being done for the M1A1 tank support, which will occur in Idaho.

We also have civilian contract logistics support that helps us maintain our equipment. Our new equipment at this particular time is on line.

Mr. HEFNER. Mr. Miller?

BASE CLOSURES

Mr. MILLER. Thank you, Mr. Chairman.

We are in the stage of shutting down bases, does that affect you in any way? Do you do training at some of those bases that will be closed?

Force Master Chief BRODY. I am not sure I know all the bases that are going to be closed but, as base closures go, I certainly am not in support of closing them from a Selected Reservists perspective. Anytime bases are closed, it is going to affect our Selected Reserve sailors. We can't just pick up and change where that "citizen sailor" lives. When a base closes in any area, it is very difficult for reservists in the area to get training. Demographics play a big part and while I am not sure I answered the question you asked base closures will affect retention and readiness, I am sure of that.

Mr. MILLER. Do you know of any base closings, Sergeant, that would affect you and your people in training?

We don't know all the bases yet, but if you do know of any in particular that would create a problem for you, we should hear about it.

Sergeant Major WRIGHT. Any base closure will have an impact on the ability to recruit and retain young Marines in our Marine Corps Reserve force. This will come about because as the Marine Corps is structured, we will have these young Marines who are not able to transfer or move over a 50-mile radius. We will lose the MOSs that we will need to maintain the readiness of our Corps.

Mr. MILLER. Thank you.

Thank you, Mr. Chairman.

Mr. HEFNER. We have a few other questions for the record. We thank you gentlemen for being with us.

[CLERK'S NOTE.—Questions submitted for the record and the answers follow:]

TRAINING

Questions. You both have mentioned that quality training and job satisfaction are important to retention. What efforts do you provide to ensure that your reservists receive quality training and are satisfied with their jobs?

NR Answer. During the past two years we have established 14 of a total of 40 planned Readiness Centers (REDCENS); large Reserve Centers with specific Training Areas Of Concentration (TAOC). These centers not only provide the resources for better local training but serve as central sites for smaller centers to send their reservists to during inactive duty drills. The remaining 26 REDCENS will be phased in over the next 3 years.

Training readiness is a high priority in the Naval Reserve; we are aggressively pursuing more frequent training on-site at gaining commands rather than strictly classroom training at Reserve Centers.

Exportable training is another initiative designed to bring better training to the reservist; when feasible, experts are brought to Reserve Centers to provide training in areas otherwise unattainable because of cost or quota limitation at schools.

Reserve Billet Training Plans and Reserve Training Tracks which describe mobilization requirements by billet continue to receive strong emphasis; are the "game plan" for each reservist, giving specific individual qualification requirements.

Proof of our emphasis on individual Reserve training is inherent in training readiness statistics; over the past 2 years our number of augment units rated R1 or R2 has increased 28 percent, an accomplishment almost totally attributable to improved individual Reserve training.

An automated question bank concerning weapons, systems, and platform maintenance known as Aviation Training Improvement Plan (ATIP) is used to develop individual training plans, and has further enhanced our level of aviation training.

The most important feature of Naval Air Reserve training is that Naval Air Reservists, for the most part, drill at locations where aircraft are located. This capability for continuous "hands-on" training for aircrew and maintenance personnel using the very hardware that they would fly or maintain after mobilization provides consistent job satisfaction. It is the best training available and produces the high retention rates the Naval Air Reserve enjoys.

MCR Answer. As I mentioned in my statement, training has a great impact on retention. Challenging training programs are the key to combat proficiency, morale, and reenlistment. If an enlisted Marine Reservist doesn't feel a sense of purpose or accomplishment he will rapidly lose interest and leave the Marine Corps Reserve. In an effort to give our Reserve Marines quality training we get them involved in major exercises such as the ones listed in my statement. Also at the unit level commanders conduct training that enhances individual skills and increase motivation.

Question. Force Master Chief Brody, you mention the many variables must fall into place in order for training to be performed efficiently and effectively. These variables include transportation, berthing, messing, and professional instruction utilizing modern equipment and current technology. Explain why these variables are important to a coordinated training program. What impact does it have on recruiting and retention?

NR answer. A coordinated effort on the part of transportation, messing, berthing and professional instruction eliminates potential training detractors. A well thought out and executed plan enables our people to direct the maximum effort toward training. Additionally, quality training with modern equipment and current technology gives reservists greater pride and results in higher levels of professionalism in their assignments.

OPERATION JUST CAUSE

Question. Was either the Navy Reserve or Marine Corps Reserve involved in Operation Just Cause in Panama? If so, to what extent? If not, when was the last time your component participated in such a situation?

NR answer. While we did not participate in the actual execution of operation within Panama, Naval Reservists did assist in the planning phase as part of JCS. In addition, we provided naval base staff augmentation support following the military conflict portion of the operation.

The last time the Naval Reserve participated in a situation like Panama was our involvement in the peacekeeping effort in the Persian Gulf. The Naval Reserve had over 300 volunteers serving in a variety of assignments including duty aboard reflagged oil tankers, NRF minesweepers and frigates, special boat units, the MIDEASTFOR staff, and at the administrative support unit in Bahrain.

MCR answer. The Marine Corps Reserve had one Marine involved in Operation Just Cause. He was doing his 2 weeks annual training in civil affairs with an Army unit at Ft. Bragg. When that unit deployed to Panama, he deployed with them to assist with civil affairs.

PERSIAN GULF

Question. Force Master Chief Brody, the Committee understands that when the Navy Reserve ships were sent to the Persian Gulf, they had to be cross-decked with active sailors to man them. Is getting reservists to volunteer for extended duty on a ship a source of concern?

NR answer. In the past, Naval Reservists have readily volunteered for extended shipboard duty. Timeliness of notification and solicitation for volunteers is the key factor. In the case of the deployment of minesweepers to the Middle East Force (MEF), the Navy deployed three Pacific Fleet Naval Reserve Force (NRF) minesweepers on seven days notice, but without Selected Reservist (SELRES) crew members embarked. Deployment of the second group of 1 active and 2 NRF MSOs from the Atlantic Fleet provid-

ed additional time and we were able to identify and recall 15 SELRES volunteers.

Past experience with Reserve volunteers has shown that with sufficient advanced notification reservists will be available for extended periods of time.

[CLERK'S NOTE.—End of questions submitted for the record.]

AIR FORCE RESERVE AND AIR NATIONAL GUARD

INTRODUCTION

Mr. HEFNER. Our next witnesses represent the Air Reserve components.

They are Chief Master Sergeant Charles F. Joseph, Senior Enlisted Advisor to the Chief of Air Force Reserve; and Chief Master Sergeant Richard M. Green, Senior Enlisted Advisor to the Director of the Air National Guard.

Chief Master Sergeant Joseph, please summarize your statement. Your entire statement will be part of the record and you can proceed, sir.

SUMMARY STATEMENT OF CHIEF MASTER SERGEANT JOSEPH

Chief Master Sergeant JOSEPH. Thank you, Mr. Chairman and distinguished members of this committee for this opportunity to appear before your Subcommittee on Defense.

I want to make a brief opening statement on concerns of enlisted personnel of the Air Force Reserve. However, Mr. Chairman, I would be more than happy to answer any questions upon completion of my statement.

Thirty years ago, enlisted personnel could not and did not envision the role that Air Force Reservists would play in today's readiness responsibilities. Over time, we have faced increasingly demanding challenges with commitment, dedication and enthusiasm. Our enlisted people, in every military specialty, have become integral partners with the regular Air Force family. We are combat ready and enthusiastic reservists.

Air Force Reservists have grown in skills and performances during this period of time from Korea through requirements in support of Vietnam, to the Berlin crisis, Cuba, Grenada, Honduras, to Panama. Reservists have served in complete expectation of their role as a partner of the total force. In no other period when reservists were called to duty have they been more ready.

As I speak to this committee, so do they for the concerns, issues and interests expressed in my report came from men and women throughout the country, including Pennsylvania, Ohio, California, Oregon, and many other States where we have units. We volunteer to serve even when many miles of travel or personal costs exceed our unit training income for duty. We do not question how difficult the mission. We only ask what the mission is and where.

We believe that we are truly dedicated Americans and I am proud, Mr. Chairman, to represent more than 64,000 Air Force Reservists here today. I am most appreciative to the subcommittee for allowing enlisted issues and concerns to be expressed.

Mr. Chairman, this concludes my prepared statement. I am ready to respond to any questions.

[The statement of Chief Master Sergeant Joseph follows:]

D E P A R T M E N T O F T H E A I R F O R C E

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
UNITED STATES HOUSE OF REPRESENTATIVES

MARCH 1990

SUBJECT: Air Force Reserve Enlisted Personnel Issues

STATEMENT OF: CHIEF MASTER SERGEANT CHARLES F. JOSEPH
Senior Enlisted Advisor to the
Chief of Air Force Reserve

NOT FOR PUBLICATION UNTIL RELEASED BY THE
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
UNITED STATES HOUSE OF REPRESENTATIVES

MISTER CHAIRMAN AND MEMBERS OF THE COMMITTEE:

Thank you for this opportunity to appear before your Subcommittee on Defense. I will share with you issues and concerns of enlisted personnel of the Air Force Reserve.

Thirty years ago, enlisted personnel could not, and did not, envision the role that Air Force reservists would play in today's readiness responsibilities. Over time, we have faced increasingly demanding challenges with commitment, dedication and enthusiasm. Our enlisted people, in every military specialty, have become integral partners with the regular Air Force family. We are combat ready and enthusiastic reservists.

TRAINING:

Recognizing the challenges for the next decade in individual skills and training requirements, the Chief of Air Force Reserve initiated a Non-commissioned Officer (NCO) Leadership Course for the middle enlisted grades of E-5 and E-6 (staff sergeant and technical sergeant).

During the six month implementation phase, we have found that training and education efforts to upgrade the skills of enlisted personnel are welcomed. We are developing renewed interest, motivation, and self-confidence, as well as a stronger commitment to the missions of the Air Force Reserve. Additional emphasis on education and training by using existing professional military schools, both through correspondence and in-residence has resulted in a better educated force. Programs of self-paced instruction, part-task training, multi-media learning programs, and state-of-the-art computers will enhance the quality of our people and support our combat readiness. This gives us highly qualified and motivated individuals who demonstrate pride in their performance.

PERSONNEL LEGISLATION

We owe much of the progress we've made in recruiting and retention to the benefits provided by the Montgomery GI Bill (MGIB). More than 10,000 of our currently assigned reservists are actively enrolled or have participated in the Reserve MGIB at some time during their enlistment. To improve participation, we have intensified management emphasis and publicity on this program, and we have recently initiated a survey to determine the educational interests and needs of the 35,000 reservists who are eligible for the MGIB. Informal inputs from the field continue to show a great deal of interest in the new vocational-technical school benefits anticipated for FY 1991.

Traditionally, enlisted personnel have accepted additional responsibilities and performed with professionalism in all aspects of meeting Air Force mission requirements. We have accepted risks and performed in an outstanding and professional manner. Today we are ready to meet each new challenge without hesitation. In conjunction with our military responsibilities, we have voluntarily sacrificed our free time with our families, as recently shown in Operation Just Cause. As Reserve commitments increase in Defense missions, sacrifices made by Air Force enlisted reservists continue to increase. Based on these increased mission requirements, there is a greater need to insure adequate rewards and compensation are available to provide an incentive to retain these highly qualified and motivated enlisted Reservists.

To prepare for the future, when enlisted reservists will be retiring from the Reserve prior to their 60th birthdays, we must extend to the enlisted Reservists certain benefits and entitlements before retirement pay begins at age 60. Our members desire the use of the Base Exchange and other benefits as recommended by the Sixth Quadrennial Review of Military Compensation. Providing these benefits will help in recruiting and retaining this enthusiastic highly qualified enlisted force.

Although Congress has determined our role is worthy and justified, reservists disqualified for worldwide duty due to medical reasons are transferred to an inactive Reserve status or discharged without a chance of receiving any type of retirement at age 60. Current law dictates that members must have twenty good years of service to qualify for retirement pay and benefits. We support the study of alternatives to provide a monetary benefit for reservists whose further participation is precluded due to their medical disqualification when the cause of the disqualification was not service-connected.

READINESS

The enlisted reservists throughout the Command are committed and have demonstrated our capabilities with the regular Air Force through our individual and collective performances in worldwide exercises and contingencies. Our experience and skills in maintaining and operating all related systems and equipment are indicative of our abilities. Enlisted aircrew members as well as mission support and enlisted Individual Mobilization Augmentees (IMAs) are combat ready and perform enthusiastically as integral partners in the total force and perform under all conditions, anywhere our assignments take us.

In summary, Air Force Reservists are not only ready and willing to meet the challenges of this decade, but prepared to meet requirements into the next century. Our people are highly qualified, as well as dedicated, and will continue our role in the total force.

On behalf of the Air Force Reserve and its more than 64,000 enlisted personnel, I am most appreciative of this subcommittee for allowing enlisted issues and concerns to be expressed.

This concludes my prepared statement, Mister Chairman. I am ready to respond to your questions.

CHIEF MASTER SERGEANT CHARLES F. JOSEPH

Chief Master Sergeant Charles F. Joseph is the senior enlisted advisor to the Commander of the Air Force Reserve, Robins Air Force Base, GA. Chief Joseph advises and informs the AFRES Commander on matters concerning the morale and welfare of the command's enlisted force.

Chief Joseph was born January 26, 1935, in Many, LA. He graduated from Benton Harbor High School, Benton Harbor, MI, in 1959, after completing four years active duty in the Air Force. Upon graduating from high school, he completed courses in speech at Wright Junior College in Chicago, IL, in 1961, and majored in criminal justice at Michigan State University East Lansing, MI, from 1968 to 1972. He completed 13 credit hours toward a masters degree in recreation at the University of Southern Mississippi in 1980 and 1981. Chief Joseph graduated from the First Sergeant's Academy, Keesler Air Force Base, Mississippi in 1980 and completed the noncommissioned officer leadership school, NCO and senior NCO academies by correspondence.

Chief Joseph entered the Air Force in July 1952 and completed basic training at Lackland Air Force Base, TX. He was then assigned to the air traffic control and warning career field at Duluth Air Force Base, MN, where he was cross-trained into the air traffic control and warning field with primary functions in base operations. In 1964, the chief transferred to Thule Air Base, Greenland, where he served as a base operations dispatcher and shift chief. He was reassigned in 1965 to the 2471st Air Reserve Training Squadron at O'Hare Air Force Base, Chicago, IL, as an operations specialist.

Following four years of active duty service, Chief Joseph joined the Air Force Reserve's 97th Air Transportation Squadron at O'Hare as a reservist. He was recalled to active duty during the Cuban missile crisis for a month and volunteered to serve for a month during the Berlin crisis with the 17th Provisional Air Force at Fort Bragg, NC, in 1961.

In 1964, he transferred from squadron operations to duties as a loadmaster on C-119 transport aircraft in the 94th Troop Carrier Squadron. From 1967 to 1986, Chief Joseph was first sergeant of the 928th Consolidated Aircraft Maintenance Squadron and the 928th Combat Support Squadron. He became senior enlisted advisor to the commander of the 928th Tactical Airlift Group in August 1986 and assumed his current duties in July 1988.

O V E R

His military decorations include the Meritorious Service Medal, Air Force Commendation Medal, Air Force Achievement Medal, Air Force Outstanding Unit Ribbon, Good Conduct Medal, Antarctica Service Medal, National Defense Service Medal, Armed Forces Expeditionary Medal, Air Force Overseas Ribbon-Short, Air Force Longevity Service Award Ribbon, Basic Military Training Honor Graduate, Small Arms Expert Marksmanship Ribbon, and the Air Force Training Ribbon.

Chief Joseph's civic affiliations include membership in the Alpha Psi Sigma Police Honor Fraternity, advisor to the Consortium of Belizean Development located in Central America, Chicago Association of Commerce and Industry, and life membership in the International Dramatics Honor Society.

He was promoted to chief master sergeant September 10, 1986.

Chief Joseph is married to the former Donna Frazier of Benton Harbor, MI, and has six children: Frieda, Valerie, Michele, Michael, Ipalla, and Gordon Bradley Charles.

Mr. HEFNER. Chief Master Sergeant Green.

SUMMARY STATEMENT OF CHIEF MASTER SERGEANT GREEN

Chief Master Sergeant GREEN. Mr. Chairman and members of this distinguished committee, it is an honor for me to appear before you today.

As noted in my written statement, I feel strongly about the need to tell the Air National Guard story, therefore, I am extremely appreciative of this opportunity.

By your invitation for me to appear, you have indicated your interest and concern for the future of your Air National Guard. The story I have to convey this morning is one of success and one of well being.

Our Air National Guard has never been at a higher state of readiness, which is due to the highest retention rates in the Reserve forces—high retention of high quality, dedicated members of our Air National Guard. Our attitudes are as high as the altitudes our modern aircraft fly; high because of job satisfaction and real world missions.

Our education programs are the finest in the world and are developing our enlisted members to the highest degree that will keep our Air National Guard strong, ready, and professional.

If we have an area of concern, it is the unanswered question of future strength, both full-time and traditional slots, as we compare strength levels to future missions for the Air National Guard.

The bottom line is that your Air National Guard enlisted members are ready and trained to face any challenges, any missions, that are in our future.

Thank you again, sir, for this opportunity and honor to represent our Air National Guard enlisted members before you today. I look forward to your questions and comments.

[The statement of Chief Master Sergeant Green follows:]

DEPARTMENT OF THE AIR FORCE

PRESENTATION TO THE COMMITTEE ON APPROPRIATIONS

SUBCOMMITTEE ON DEFENSE

UNITED STATES HOUSE OF REPRESENTATIVES

SUBJECT: AIR NATIONAL GUARD ENLISTED PERSONNEL

STATEMENT OF: CHIEF MASTER SERGEANT RICHARD M. GREEN
SENIOR ENLISTED ADVISOR, AIR NATIONAL GUARD
HEADQUARTERS, UNITED STATES AIR FORCE

MARCH 1990

NOT FOR PUBLICATION UNTIL RELEASED
BY THE COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

AIR NATIONAL GUARD

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, it is my distinct pleasure to appear before this committee for the first time on behalf of the 102,000 enlisted men and women of the Air National Guard (ANG). I thank you for your past and continuing support of the Air National Guard as evidenced by my invitation to appear here today, and your active participation in taking a firsthand look at the welfare of our enlisted force.

During the past several years, the Air National Guard has seen an unprecedented change -- a real upgrade -- a real improvement in the professionalism of our enlisted members. Our numbers have grown, and along with that, our talent and capabilities have matured and blossomed. The increase in quality and professionalism among our enlisted force increases the overall readiness of the Air National Guard.

The success of the Air National Guard is in effective recruiting and, more importantly, in our retention of top quality, dedicated, willing and able members. Air National Guard members enjoy job satisfaction and challenges. In the Air National Guard we are able to get our arms around our job, to see, to touch, to operate, and to deploy. Our people can see an end result and understand how each person fits into the accomplishment of the unit mission. People join the Air National Guard to be a part of the protection and well-being of our country. We must insure their time spent with the National Guard is quality time, as it displaces civilian jobs or time otherwise spent with family and friends. Air National Guard enlisted members want the opportunity to participate in operations such as Just Cause. Don't deny our people the opportunity to serve, the only reason they are in the Air National Guard.

We must continue to challenge our senior enlisted with true leadership positions characterized by responsibility and authority. Effective delegation has the potential of streamlining our Air National Guard because we have an abundance of dynamic future leaders to fill these roles. We must keep our quality management and leadership training available, not only to our current leaders, but more importantly, to those that will follow. In our competitive system professional military education has become a requirement and the interest that our noncommissioned officers have in attending professional military education is growing every day. Our leadership and NCO academy classrooms have waiting lists. We will substantially increase our professional military education capability this coming year when we open the first phase of our new campus at Knoxville, Tennessee. This expanded program is a tribute to your understanding of the importance of education through your approval of resources needed to expand our campus. Even our senior noncommissioned officer's desires to attend the very demanding United States Air Force Senior NCO Academy is increasing beyond the additional slots provided us. The most exciting, the most heartwarming portion of our professional military education curricula is our noncommissioned officer preparatory courses. These programs are filled with our E-3's and E-4's -- exciting, young, and dedicated Americans -- our Air National Guard leaders of tomorrow. In the coming years we must maintain the priority for NCO education programs at the very top of our list to keep our Air National Guard strong, ready and professional.

Our members are interested in self-improvement not only on the job, but in the civilian sector. Education benefits such as the Montgomery G.I. Bill and the Community College of the Air Force are important to our members and are definite motivators in their decisions to remain and serve in the Guard. Though there are costs involved in these education programs, they repay us tenfold in a better educated, more stable, higher quality person serving in our Air National Guard and contributing to the strengths of their communities. This personal advancement is also important to our members' employers who are such a critical part of the Air National Guard's success. Family support is also critical, so family support programs should be further developed, funded and kept strong. As we continue to increase missions and excel in operations such as Just Cause, we must always remember that participation, all volunteer efforts, do not happen by accident. Continued emphasis on our family and employer support programs is imperative. Benefits, such as commissary and base exchange privileges are also positive factors in our retention programs.

During this era of numerous aircraft conversions and increased day-to-day missions, our full-time programs must continue to receive the highest levels of attention. Our traditional guard members are already participating much more than a monthly weekend duty period and fifteen annual training days a year. Increased full-time missions for the Air National Guard will require more full-time members. Our traditional members are willing to do more, however job, school, and family obligations limit additional duty time above what they are already serving. As earlier stated, increased benefits and privileges and more emphasis on family support and employer incentives will help maintain our availability.

We have seen some improvements in our full-time programs. We made tremendous headway this past year as ceilings on AGR grades were increased. We must continue to insure that our authorized, validated positions are funded at the correct grades. We must always remind ourselves, and especially those not familiar with the Air Guard enlisted promotion system, that promotions at the top stimulate promotional opportunities throughout the lower grades. Suspending or reducing promotions at the top levels affect all promotional opportunities for both full-time and traditional members.

Our full-time membership is being eroded by the airline and other high tech industries as is the case of the regular Air Force. This steady siphoning of our technicians and military members weaken the backbone of our entire operation and must be monitored carefully. Our units located near major airline facilities and industrial complexes are most effected by this erosion, but every Guard unit is up against keen competition for our talent. Continued emphasis on pay and other incentives is important to keep this critical work force intact.

It is important to tell the Air National Guard story and I am pleased to testify before this Committee. I believe we must keep our communities, our employers, our families, even our Air Force fully informed of our capabilities and concerns. An Air Guard member shared with me a short time ago that he had to fight for the right to fight for his country. I asked for clarification and he explained that he had to fight with his boss for time off, he had to fight with his wife because of the amount of time he spent with the Air National Guard, and he had to fight to perform all the missions the Air Force asked us to do. He had to fight for

the right to fight for his country! I'll never forget that statement, and every time I recall the comment it reminds me that we must continue to spread the good word about our Air National Guard. We are making progress with this challenge and again, this congressional session is a giant step forward for which I am most appreciative.

The bottom line -- the most important point -- is that your Air National Guard enlisted corps has never been better. I'm continually proud at the high technology our people have mastered and continue to master. I believe that our enlisted members understand what lies ahead for the Air National Guard and our total defense role. They can and will adjust to anything asked of them. Although the majority are superstars, they are still human, with complicated life agendas, with difficult concerns and with deep feelings.

They can certainly fulfill the leadership philosophy stated by our astronaut Dr. Sally Ride, who stated "Leadership is the ability to do what our nation decides to do." I will guarantee to you, Mr. Chairman, and this distinguished Committee, that your Air National Guard enlisted members will successfully accomplish the tasks that are put before them.

Mr. Chairman, I thank you and the Committee again for this opportunity and honor to represent our Air National Guard enlisted members before you today. I look forward to your questions and comments.

CHIEF MASTER SERGEANT RICHARD M. GREEN
SENIOR ENLISTED ADVISOR, AIR NATIONAL GUARD

Chief Master Sergeant Richard M. Green is the Senior Enlisted Advisor to the Director of the Air National Guard. He is responsible for all affairs concerning the enlisted personnel of the Air National Guard.

Chief Green was born on August 15, 1946, in Little Rock, Arkansas. He graduated from high school in 1964 and continued his education at Little Rock University (now University of Arkansas at Little Rock). His military education includes Basic Military Training, 1965; Aircraft Maintenance School, 1965, Combat Crew Training, KC-135, 1975; Flight Instructor Course, 1976; Combat Crew Evaluation School, 1976; U.S. Air Force Senior Noncommissioned Officers Academy, May 1983; and Resource Management, Community College of the Air Force, 1985.

The chief began his military career by enlisting in the Arkansas Air National Guard in 1965. After returning from basic training and technical school, he continued to attend the university until called to active duty with the 189th Tactical Reconnaissance Group in 1968. After serving as crew chief on RF-101 aircraft, Itazuke Air Base, Japan, Chief Green returned to inactive status. He accepted an air technician position as an F-101 crew chief with the 189th in 1969, becoming a C-47 flight mechanic. He continued his crew chief duties until 1974 and in 1975 was selected to attend KC-135 boom operator school. The chief became supervisor of the in-flight refueling section in 1976. He was named senior enlisted advisor for the 189th Air Refueling Group in 1983, continuing his duties as air refueling program manager and flight mechanic until assuming his present position on August 1, 1986.

Chief Green is an aircrew member with more than 6,000 flying hours in C-47, C-54, T-29, C-131, KC-135 and C-22 aircraft. His military awards and decorations include the Meritorious Service Medal, Air Force Commendation Medal, Combat Readiness Medal, Outstanding Airman of the Year Ribbon, and National Defense Service Medal. He was named Federal Employee of the Year in 1984 and an Air National Guard Outstanding Airman of the Year, 1985.

The chief was promoted to chief master sergeant in July 1984. He is married to the former Donna Urban of Chardon, Ohio. She is an enlisted Guard member with the DC Air National Guard. The Greens have three children and reside at Andrews Air Force Base.

DRUG INTERDICTION

Mr. HEFNER. Chief Master Sergeant Green, you are currently participating in the drug interdiction/counternarcotics arena.

What roles do you play and do you think your efforts have contributed to the US. policy on drug interdiction?

Have you been effective and could you explain a little bit about your involvement?

Chief Master Sergeant GREEN. Yes, sir.

As to the second part of your question, I feel strongly that we are making a big impact on the drug war. We have been heavily involved starting last year with many, many missions along with our counterpart the Army National Guard. We are even more involved in the current fiscal year.

We are doing cargo inspections with our security people. We are running air interdiction missions with our air defense units. We are doing air reconnaissance with our reconnaissance F-4 units, and many, many other similar type missions. Last year we had 21 states participate in the drug interdiction missions. This year, almost all States are participating in one form or another. We feel we are making a very, very big impact.

Mr. HEFNER. Do you have good interaction with the local law enforcement people and all the agencies who are concerned like Customs and do you feel like the program is well coordinated? Are they utilizing your services properly?

Chief Master Sergeant GREEN. Yes, sir.

As we get into the use of the state plans, as Sergeant Blackwood referred to, as those are implemented, we are in a good relationship mainly because we are hometown units.

We have people that work in those law enforcement divisions one day and then the next day have the blue suit on of the Air National Guard, so our relationships are extremely strong with those agencies.

Mr. HEFNER. Mr. Miller?

OPERATION JUST CAUSE

Mr. MILLER I notice in your statement that you participated in Operation Just Cause?

Chief Master Sergeant GREEN. Yes, sir.

Mr. MILLER. Would you give us a little more detail as to what your responsibility was at that time and whether you had the proper equipment to fulfill that responsibility?

Chief Master Sergeant GREEN. I might address the second part of your question.

Certainly we have the proper equipment because all of our equipment is first line. The equipment was very adequate. In the early hours of Just Cause, we began airlifting supplies even while the mission was still highly classified, our units did not even know what they were doing or why. It was just to move cargo and we were certainly doing that.

As the operation kicked off, your unit from Toledo was in place under Coronet Cove in Panama, and flew 40 close air support missions in the early hours of that mission. Our airlift units flew numerous missions. We had airlift already in place and air units from

CONUS participated in airlifting thousands of people and tons of cargo.

The real success story of the whole operation, in my opinion was our C-5 unit from New York. They generated everything they had on the ramp and it was a tremendous success, flying about 50 sorties and over 1,000 tons of cargo in support of Just Cause.

So it was a highly successful mission for the Air Guard. We had people ringing phones off the wall wanting to participate in that mission that we did not even use.

So the interest was there and the operation was a success in our mind as far as our participation.

Mr. MILLER. How did your operation fit in with the regular Air Force? They, too, flew missions, and did they fly as many missions as you did or more?

Chief Master Sergeant GREEN. We flew a somewhat less percentage than the Active components did.

I think we flew about 140 fighter sorties and approximately 230 airlift sorties. So a large number of the sorties were flown, fully integrated in relationship to command and control and use of the Air Guard. We saw very few problems other than we wanted to participate more than we did.

Mr. MILLER. Very good. Thank you.

Thank you, Mr. Chairman.

Mr. HEFNER. Sergeant Joseph, did you want to respond?

Chief Master Sergeant JOSEPH. Yes, sir.

The Air Force Reserve played a significant role in the Just Cause Operation. We functioned very well as a member of the total force and our people responded overwhelmingly to the mission without being called up. We had more people than we could use for the mission, people sitting in units around the country waiting to be given a mission.

We involved in the mission—unit equipped missions of C-141s and C-5s as well as our AC-130 gun ships—we completed under the unit equipped of 252 sorties, for example, 521 hours and 2,126 tons of cargo, over 4,000 passengers, and much, much more ammo that was involved in the gun ship operation.

Our people functioned very well with the operation, and they played a very significant part with the total force in that mission.

Mr. MILLER. When you speak of the cargo and the personnel that you are moving, did you at that time have fighter protection?

Chief Master Sergeant GREEN. I can't answer that part of your question, other than we were involved.

Mr. HEFNER. Mr. Sabo, did you have any questions?

Mr. SABO. No, thank you.

Mr. HEFNER. Thank you gentlemen for being with us today. We commend you on the great job that you are doing.

Hopefully, this won't be the last time that you will come and testify before the committee.

The chairman asked me to convey his apologies for not being able to be here. We will have other questions for the record.

The committee stands adjourned until 1:30 this afternoon.

[CLERK'S NOTE.—Questions submitted for the record and the answers thereto follow:]

NCO LEADERSHIP DEVELOPMENT

Question. Both of you have stressed the need for NCO Leadership development. Why is this needed and what is your component doing to help in this regard?

ANG Answer. Leadership development of our noncommissioned officers is imperative to the efficient and successful operation of the Air National Guard during the nineties. Our enlisted members are the most professional, highest educated in history. This asset needs to be developed to its highest educated potential.

The leadership development programs in the Air National Guard, and those we use with the Air Force are outstanding. We in the Air National Guard have four phases of leadership and management training for our enlisted members—all highly successful, actively growing programs:

(1) Our NCO Preparatory Courses are offered to our young members (E-3) that are preparing to enter the noncommissioned officer grades. The course is offered in-resident by many of our units. Thirty-five sites are currently established. Over 2,000 students have graduated from this course over the past three years.

(2) Our NCO Leadership School is the second phase of NCO Professional Military Education. Leadership school provides a learning environment which will expand the students' abilities to exercise vital supervisory skills and provide an experience that will lead to competent and confident leadership. The Air National Guard projects 170 graduates from our Knoxville campus this fiscal year. Beginning in FY 91, that number will increase to over 1,100 due to the expansion of our campus. Over 250 Air National Guard members also attend and graduate from active Air Force schools.

(3) The NCO Academy is our third phase of leadership development. This academy increases the student's ability to function as a supervisor, communicator, resource manager and professional leader. The ANG NCO Academy at Knoxville plans to graduate over 500 students this fiscal year, and the quota will increase to just under 1,000 in FY 91. The Air National Guard also sends 250 students a year to active duty schools.

(4) The fourth and final phase of NCO Professional Education is the USAF Senior NCO Academy at Gunter AFS, AL. Fifty-four students will attend this year and hopefully we will increase the limited number of authorized slots next year.

In addition to the military education programs, we also encourage enlisted members to pursue Associate Degrees through the Community College of the Air Force, and to utilize the Montgomery GI Bill to further their higher education.

AFR Answer. Many of our junior and midlevel NCOs are not in supervisory positions in their civilian jobs. They are not provided leadership development which could transfer to their reserve responsibilities. Air Force Reserve units need supervisors at all levels to be capable leaders and managers—our readiness requires it and our increasingly scarce resources require it.

To ensure enlisted supervisors could meet the challenges of the future, Headquarters Air Force Reserve created the Noncommis-

sioned Officer Leadership Development Program. This two-phased program combines college lectures with military application seminars. In partnership with Central Texas College, 2 semester hours of college credit are earned during 36 hours of instruction in leadership, management, time management, communication, counseling and stress management.

We believe this training will improve readiness and retention, and cultivate better supervisors in the NCO corps. A pilot program was launched in October 1989 at 10 Air Force Reserve unit locations. Feedback has been good. Full implementation at all 40 unit locations is scheduled for January to August 1990. We will be assessing the program to make adjustments and fine tune, but we are convinced we are on the right track in filling this important educational void.

ENLISTED ATTRITION RATE

Question. What is the enlisted attrition rate of your component and are you satisfied with that rate?

ANG Answer. The Air National Guard enlisted attrition rate in FY 1989 was 10.8 percent. The FY 1990 rate is slightly lower comparing our losses to date to the same period last year.

The Air National Guard is never satisfied when we lose trained and productive members. We are very proud of our relatively low rate—the lowest in the reserve forces. This success is attributed, for the most part, to job satisfaction including total participation in the defense role of our country.

AFR Answer. The enlisted attrition rate for the Air Force Reserve is 10 percent. We consider this level of attrition to be optimum in order to provide a healthy turnover of enlisted personnel. Losing 10 percent of our enlisted reservists each year allows us to bring in new people with new ideas and provides upward mobility for a younger, less stagnant force.

BASE CLOSURE IMPACT

Question. What impact does the closure of bases have on your ability to recruit and retain reservists? Will these closures further impact on the distance traveled for reservists to attend drills and training sessions?

ANG Answer. The impact of base closures should have no negative impact on our ability to recruit and retain members. If any impact is experienced, it will be an increase in the Air National Guard's share of the local recruitable population.

To date, our Guard units are not scheduled to move to a new location due to a base closure.

AFR Answer. The base closure will affect reservists at Chanute AFB, IL; Mather AFB, CA and Norton AFB CA. The effect on future recruitment will be minimal. We will concentrate our efforts in other areas where reservists train. Similarly, we envision no significant impact on retention except in the Los Angeles area where we anticipate a relatively large number of displaced reservists. We will make every effort to devise solutions to accommodate these members' needs. The reservists at Chanute will have to travel further, perhaps to Chicago, to attend drills and training sessions.

With regard to Norton AFB, some of the Reservists will be able to obtain positions at March AFB (approximately 20 miles away), thereby having very little impact on their travel/participation requirements. However, approximately 1,000 Reservists at Norton will be without Reserve billets.

[CLERK'S NOTE.—End of questions submitted for the record.]

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**PREPARED STATEMENT OF
THE ASSISTANT SECRETARY OF DEFENSE
FOR RESERVE AFFAIRS**

HONORABLE STEPHEN M. DUNCAN

**HEARING BEFORE THE SUBCOMMITTEE ON DEFENSE
HOUSE APPROPRIATIONS COMMITTEE**

APRIL 4, 1990

**NOT FOR PUBLICATION
UNTIL RELEASED BY THE
SUBCOMMITTEE**

ASSISTANT SECRETARY OF DEFENSE FOR RESERVE AFFAIRS

STEPHEN M. DUNCAN



Stephen M. Duncan was nominated by President Reagan to be Assistant Secretary of Defense for Reserve Affairs on August 7, 1987, and was confirmed by the United States Senate on October 23, 1987. He was reappointed to that office by President Bush on June 20, 1989.

Mr. Duncan serves as the principal staff assistant and advisor to the Secretary of Defense on all matters involving the 1.68 million members of the Reserve components of the U.S. Armed Forces, including the Army National Guard, Air National Guard, Army Reserve, Air Force Reserve, Naval Reserve, Marine Corps Reserve, and Coast Guard Reserve. He also serves as the principal assistant and advisor for all policies and programs of the Department of Defense in support of the President's crusade against illegal drugs. For his service as Assistant Secretary, he has received the Department of Defense Medal for Distinguished Public Service.

Mr. Duncan was born in Oklahoma City, Oklahoma, on March 28, 1941. He graduated from the U.S. Naval Academy in 1963, receiving his Bachelor of Science Degree and a commission as Ensign, U.S. Navy.

He served as a deck and watch officer aboard U.S.S. ESTES (AGC-12), an amphibious flagship which directed amphibious landings near Chu Lai, Vietnam in the Spring of 1965. He subsequently served as the Weapons Officer aboard U.S.S. CARRONADE (IFS-1), the flagship of a division of four rocket ships which provided close-in gunfire support to ground forces in Vietnam. His combat decorations include the Navy Commendation Medal (with Combat "V"), the Combat Action Ribbon, the Republic of Vietnam Cross of Gallantry (Bronze Star), the Navy Unit Commendation and various other unit citations and campaign medals related to his service in Vietnam.

In 1967, Mr. Duncan was appointed Assistant Professor of Naval Science at Dartmouth College, where he taught Naval Engineering and Naval History. He received his Master of Arts Degree in American Government from Dartmouth College in 1969.

Mr. Duncan transferred to the U.S. Naval Reserve in 1969. At the time of his first appointment in 1987, he held the rank of Captain, U.S. Naval Reserve. He is a recipient of the Armed Forces Reserve Medal.

Assistant Secretary Duncan attended the University of Colorado School of Law and received his Doctor of Jurisprudence Degree in 1971. He served as Assistant U.S. Attorney in 1972-73. From 1973 to 1987 he was engaged in the private practice of law in Denver, Colorado, most recently as a partner in the Denver firm of Hopper, Kanouff, Smith, Peryam, Terry and Duncan. His practice was concentrated in the trial and appeal of complex commercial disputes in both federal and state courts.

Mr. Duncan is a member of the Bar of the U.S. Supreme Court, the State of Colorado, the U.S. Court of Military Appeals and other federal courts. He is a member of the faculty of the Trial Advocacy Institute at the University of Virginia School of Law and in 1982 he was elected a Fellow of the International Society of Barristers. He has published articles in various professional journals. He has served as an elected member of the Board of Governors of the Colorado Bar Association, the Board of Trustees of the Denver Bar Association, and of other bar organizations.

Assistant Secretary Duncan is married to the former Luella Rinehart of Santa Monica, California. They have two daughters. Kelly is a Midshipman First Class at the U.S. Naval Academy. Paige is a senior in high school.

July 1989

Mr. Chairman and Members of the Subcommittee:

The Reserve Forces of the United States enter the 1990's after a decade of growth and improvement which have assured their status as the best Reserve forces in the world. I have no doubt that the improvement in their capabilities has contributed directly to what the Secretary of Defense has described in his own testimony to Congress as an "historic transformation of the global security environment." As we engage in the continuing task of developing specific policies to implement our national security strategy, I'm honored to once again have the opportunity to appear before the Committee to report on the condition of the Reserve forces and to discuss the important responsibilities which our Reserve forces have been asked, and reasonably can be asked to assume in the future.

For almost two decades, the Total Force Policy has been a basic pillar of our military strategy. The express purpose and the recent effect of that Policy has, of course, been to place a substantial portion of our total military power in a high quality, volunteer, well-trained, well-equipped and early-mobilizable Reserve force. In recent years, I have discussed the quality of the Reserve forces with various committees of the Congress. Since the quality of the Reserve components is directly relevant to any consideration of the efficacy of the Total Force Policy, permit me to introduce my testimony today with a brief description of the actual performance of four of the seven Reserve components in the operation in Panama which commenced on December 20, 1989.

Operation JUST CAUSE

Statistical data and words often have limited utility in conveying the true quality and readiness condition of military units and personnel. Intangibles, such as morale, the quality of leadership, unit cohesiveness, etc., can make a unit much better than objective data would suggest. The converse is also true. The best measurement of quality and readiness is actual performance. In the recent and highly visible test of performance in Panama, National Guardsmen and Reservists with a wide range of skills, including many unique skills, performed brilliantly.

The Army Chief of Staff has described Operation JUST CAUSE as one of the most complex contingency deployments and employment that U.S. forces have undertaken since World War II. When the operation began on December 20, 1989, personnel from the 180th Tactical Fighter Group (TFG) of the Air National Guard from Toledo, Ohio, were engaged in regularly scheduled training at Howard AFB, Panama, with five of their A-7 aircraft. The 180th flew 76 close air support sorties and expended in excess of 2,700 rounds of ammunition. More significant than the number of rounds fired was the psychological effect on members of the Panamanian Defense Force (PDF) of the combat aircraft buzzing isolated PDF installations. The visible presence of the aircraft was credited as a major factor in the widespread surrender of PDF forces without a fight. Three days after the operation began, the Air Guard personnel from the 180th were replaced by crews from the 114th TFG in Sioux Falls, South Dakota, who were flown to Panama on C-141 aircraft piloted by the Air National Guard in Mississippi.

During the very early stages of the operation, other Air National Guard crews flew missions with C-130 aircraft airlifting 553 tons of cargo and 3,107 people, including the very first aeromedical evacuation flight to the U.S. The 172d Military Air Group (MAG) of the Air National Guard flew C-141 missions from its home station in Jackson, Mississippi, transporting 1,733 people and 437 tons of cargo to Panama. The 105th MAG of the Air National Guard (New York) flew 49 C-5 Galaxy missions airlifting 637 personnel and more than 1,000 tons of cargo. Hundreds of additional missions were flown in the later stages of the conflict. Other Air National Guard personnel provided various kinds of support to Active Air Force personnel who were engaged in the operation.

Similar missions were flown by Air Force Reserve personnel. Two AC-130 gunships from the 919th Special Operations Group of the Air Force Reserve were a major contributor to the success of the operation, flying 38 combat sorties, hitting key facilities and providing cover for Army troops held hostage in the Marriott Hotel in Panama City. Associate KC-10 Tanker Units flew 13 missions to refuel aircraft and off loaded 1,169,000 pounds of fuel. Six separate C-5 and C-141 Associate Airlift Units from five states flew 71 missions (852 flying hours), airlifting 3,927 personnel and 1,921 tons of cargo as part of their participation in the initial assault air drop and during follow on airland missions.

In addition to the airlift and gunship crew support, Air Force Reservists provided significant support in aerial refuel-

ing, aeromedical evacuation, aerial port, intelligence and base operating support. Reserve crews flew 10 aeromedical evacuation missions. Air Force Reserve aeromed units volunteered 1,000 man-days of effort and some 208 nurses and technicians supported 225 litter patients and 42 ambulatory patients. They staffed medical facilities at Kelly AFB, Texas and the nearby Wilford Hall USAF Medical Center.

When I visited our Reserve forces in Panama in January, I was informed that at certain times during the intense early hours of the assault, aircraft were landing at Howard AB every 15 seconds, on a very crowded airfield, in blackout conditions (because of the danger of mortar rounds from nearby hills). The fact that not a single accident took place despite these conditions and the confusion that inevitably surrounds combat operations, is vivid testimony to the professionalism of the Active Air Force, Air National Guard and Air Force Reserve crews which were involved.

Other National Guardsmen and Reservists were also actively involved in the early stages of the conflict. When the attack began, the 1138th Military Police Company of the Army National Guard (Missouri) was also conducting annual training in Panama. That unit was the only military police unit in Panama specially trained to process POWs and civilian detainees. At 1600 hours of the first day, the unit had constructed a holding facility and was receiving prisoners. Although the unit was scheduled to complete its training and return home on December 21, over one half of its members volunteered to remain in Panama over the holiday period for an additional two weeks.

The augmentation of the Active force staffs during the crisis was another task that National Guardsmen and Reservists performed well. At the request of the U. S. Southern Command (SOUTHCOM), some 61 USAR Individual Mobilization Augmentees (IMAs) volunteered to provide staff and related support to both SOUTHCOM and several of its subordinate commands during the around-the-clock intense operations. The 366th Army Reserve Public Affairs Detachment provided in-depth media coverage for approximately 13 days.

One of the more remarkable stories about Operation JUST CAUSE was the work of the Army Reserve Civil Affairs personnel who very ably demonstrated the often unique skills of the "Citizen-Soldier." Soon after the operation began, warning orders were issued to specific Army Reserve Civil Affairs Units. Army Reservists by the hundreds immediately began calling to volunteer to go to Panama. Shortly after the operation commenced, SOUTHCOM requested that Reservists with specific skills be deployed to Panama to conduct joint civil-military operations and specifically to assist the new Government of Panama in the restoration of essential governmental services, in the assessment of the longer term needs of the country, and in the care of thousands of displaced Panamanian citizens.

The first contingent of Army Reserve Civil Affairs specialists arrived in Panama the day after Christmas, six days after the conflict began. By January 1, a total of 222 Army Reserve Civil Affairs personnel had arrived. Specialists immediately began advising the ministers of the new government on the re-

building of the governmental infrastructure. Immediate steps were taken to assist the new government in its efforts to build the new Public Forces of Panama (FPP) from the ashes of the PDF, and to change the entire culture and attitude of the former members of the PDF so that the FPP will become a police force dedicated to the protection of the citizens of Panama, rather than a military force which intimidates and abuses. Army Reservists who serve as judges, prosecutors and precinct policemen in their private lives quickly designed a course of instruction for all members of the new FPP. The course included such subjects as "Police Ethics" and "Human Rights," as well as such standard subjects as chain-of-custody procedures for evidence, arrest techniques, etc. The prison next to the Commandancia (the former Headquarters Building of General Manuel Noriega and the PDF) which had been emptied and ransacked after the attack began, was soon functioning again as a result of the advice and active assistance of a Spanish speaking Army Reserve captain who serves in private life as a U.S. Marshal.

A wide variety of other nation-building tasks were also performed by Army Reservists. A clean, organized Refugee Camp for almost 3,000 homeless and displaced persons was immediately established. Agriculture and medical specialists promptly commenced highly visible efforts to rebuild the distribution systems for food and medical supplies (by January 20, 1990, a Civil Affairs unit in Colon had already delivered 60 tons of emergency food supplies to outlying districts cut off by the fighting). Housing, real estate and construction specialists began detailed

assessments of the short and long-term housing needs of the citizens of Panama City, Colon, and other areas. Airport management specialists assisted civil airport authorities in the return to normal civil aviation operations. Educational specialists worked to reopen the schools of Panama and to evaluate the long-term educational needs of the country. Public works specialists repaired vehicles and equipment so that the public transportation system could operate. Engineers cleared the streets and attacked sanitation problems. In Colon, a Sergeant in an Army Reserve Civil Affairs unit (who works as a civil engineer in his civilian job) designed a screening device for the intake valves of that city's drainage system, which had been inoperative for several months due to clogged intake valves and fouled turbines. His device worked superbly and will probably save the city from serious flooding during the next rainy season. It has already stopped the flow of raw sewage into the surrounding river system.

During my visit to Panama, I asked General Max Thurman, the Commander-in-Chief of SOUTHCOM, how our Reserve forces were performing. He replied: "The skills that the Reserves bring [to SOUTHCOM] are a godsend." The role which National Guardsmen and Reservists played in Operation JUST CAUSE should not be overstated, but their many contributions were clearly important to the success of the operation. The prompt integration of Active, National Guard and Reserve forces into such a formidable fighting force is eloquent testimony to the capabilities of our Reserve forces generally, to the often unique skills and experience they bring to the Total Force and to the progress which has been made in recent years in implementing the DoD Total Force Policy.

Understanding the Total Force Policy

In recent months, the Total Force Policy has become the subject of great public attention and of a major study by the Department of Defense. On February 2, 1990, the Secretary of Defense and the Chairman of the Joint Chiefs of Staff addressed the first meeting of the Total Force Policy Study Group, a group on which I am privileged to serve as Vice Chairman. I can assure you that the Study Group recognizes fully the great importance of the Total Force Policy Study, especially at a time of dramatic geopolitical change and when we are reducing force structure. A thorough examination of the Policy is welcome. Indeed, it is essential if we are to ensure that fundamental decisions concerning how we man the Armed Forces are sound. Unfortunately, much of the recent public discussion about the Total Force Policy has been uninformed, or at least insufficiently focused.

Part of the confusion is generated by the use of the term "Reserves." While a basic tenet of the Total Force Policy has always been that National Guard and Reserve units constitute the primary augmentation of the Active component in military conflicts, many Guard and Reserve units (with a mix of part-time and full-time personnel) are fully ready and capable of responding rapidly to a mobilization or other orders to active duty. In this sense they are not forces to be held in "reserve," but rather early deploying or "mobilizable" units more typically found in the traditional Continental European conscription-based Reserve system. Other American Guard and Reserve units are more characteristic of traditional (later deploying) Reserve units.

The Total Force Policy was never intended to make Active, career soldiers and Reserve soldiers fungible items or mirror images of each other. Given the limited training time of part-time citizen-soldiers, sailors, airmen and marines, as well as the constrained budgetary environment in which the Department of Defense will operate in the early 1990s, it is unrealistic to attempt to make every Reserve unit the absolute equal in terms of readiness and capability, of the best Active units. Rather, the objective is to integrate the capabilities and strengths of Active and Reserve units in the most cost-effective manner, i.e., one that provides the most total military capability and flexibility possible within the limitations of the budget.

In order to discuss the Total Force Policy in a meaningful way, it is important that broad generalities be avoided. Too many military analysts argue for large changes in the force mix balance for budgetary reasons alone that are unrelated to any apparent manning philosophy or threat evaluation. Others assert that the Total Force idea has already been carried too far. I am skeptical about suggestions of large broad shifts in force mix across all of the Reserve components as an end in itself. I am equally skeptical, however, about (1) simplistic and incorrect approaches to force mix that imply that (all) Reserve units can never be "as good" as Active units merely because the former train less and, (2) similar approaches to reductions in force structure which result in "equal" reductions to Active and Reserve components with no apparent relationship to strategy or to the need for a specific military capability.

A balanced analysis of the Total Force Policy must start with a focus on particular missions. Some missions, which require a high surge of activity in wartime, but comparatively low activity in peacetime, are obviously ideal for Reservists. Others, such as those which require long periods of forward deployment in peacetime, are unsuitable. Yet others, can be reasonably assigned to either Active or Reserve units, depending upon how soon the missions must be performed after a crisis or conflict develops, the demographic profile of particular geographical areas, the particular characteristics of individual units, and many other factors. Some National Guard or Reserve units can assume even greater wartime missions and peacetime operational responsibilities than they have now. Others, clearly cannot. Certain missions which have previously been assigned to Active forces could be transferred to Reserve units, especially if it can be demonstrated that significant cost savings are available with no loss or for a comparatively small loss in capability. Other missions should remain with the Active forces.

Making Reservists Ready to Perform

The readiness of the Reserve components to perform their wartime missions continues to improve. Readiness levels are, of course, directly related to training. During FY 1989, National Guard and Reserve officers trained for their wartime missions an average of 61 days. Reserve enlisted personnel trained an average of 42 days. One must see our citizen-soldiers in training to fully appreciate their capabilities. I have admired their skills

while flying with them in the F-15, the TAV-8B, and other aircraft. I have felt their enthusiasm and their energy as I watched them conduct amphibious landings on cold Norwegian beaches, cut roads through the mountains of Honduras, and set up field hospitals in exercises on the plains of Germany. I have been amazed at their dedication and their professionalism as I talked with them on the decks of aircraft carriers, in the desert hills of the National Training Center, near the DMZ in Korea, and in armories and Reserve centers all over the nation. By any reasonable standard, the Reserve forces are in the highest state of readiness that has been attained since the Total Force Policy was adopted. Readiness challenges remain, however, in specific areas.

Deficiencies in the Military Occupational Specialty (MOS) of certain Reservists, i.e., in their individual skill qualification and training, have replaced equipment shortages as the most serious readiness deficiency. Last year, I informed you of the persistent readiness challenges in the Army's combat support and combat service support (CS/CSS) forces. Those problems are Army problems, not Reserve problems, but because approximately 70 percent of the Army's nondivisional CS/CSS forces are in the Army Reserve, I have given them a great deal of personal attention. I have been particularly concerned about the readiness of certain early deploying CS/CSS units.

It is important to remember that in seeking to maintain required standards of readiness, National Guard and Reserve units face problems that are the result of factors which are unique to

Guardsmen and Reservists, e.g., limited training time, the geographic dispersion of individual Reservists, and the fact that Americans generally, including Reservists, are mobile and tend to move from place to place. These and many other kinds of readiness challenges, however, are not related to budgetary constraints. They can be corrected by innovative thinking, good leadership and management, and by a frank recognition of the fact that the high quality of our modern Reserve forces permits (1) the introduction of training techniques, and (2) the achievement of readiness levels that were generally not possible only a few years ago. Several encouraging developments are taking place.

Some of the most encouraging work is the result of the Army's Reserve Component Training Action Plan (RC TDAP). The RC TDAP was prepared subsequent to the completion of an intensive study by the Army of the unique training challenges faced by the Army Reserve. The RC TDAP consists of 38 separate initiatives that are being taken by the Army to remedy these challenges. Emphasis is being placed on educating Reserve leaders (officers, warrant officers, and noncommissioned officers). Resident courses at the Army's Training and Doctrine Command are being reconfigured to meet the training time limitations of Reservists. A special Skill Qualification Test for the Reserve soldier is being developed and expanded use is being made of interactive video techniques and regional training centers.

Other encouraging developments include the recent efforts of the Army to eliminate or at least to reduce the turbulence in the CAPSTONE alignment process, i.e., the process by which Reserve

units are assigned wartime missions and deployment schedules. For a variety of reasons, these missions and schedules have been changed far too often in recent years. The resulting turbulence has required the Reserve units involved to engage in continuous retraining with an attendant waste of training time, inefficient use of resources and loss of esprit de corps. The importance of stability in mission assignments is obvious. New unit missions require individual Reservists to obtain new military skills during their limited training time. While some Reservists are engaged in civilian occupations that require the same range of skills that are required to perform their military mission (e.g., aviation and police work), it is possible and desirable to hold most part-time Reservists to the same standard of performance as full-time Active soldiers only if the Reservists are trained on fewer total tasks requiring fewer skills. I have discussed this problem with the senior leadership of the Army on a regular basis and I am happy to report that it is the focus of considerable management attention. The Forces Command, for instance, is working to minimize the number of changes to the deployment schedules.

In considering the readiness of Reserve forces, it is important to recognize that the readiness of certain Reserve units may need to be kept higher than that which can be justified solely on the basis of strategy or threat evaluation. This need is based on intangible elements such as morale and sense of accomplishment which are directly related to decisions by Reservists to leave or remain in the Reserve forces. The training

which is required to maintain certain minimum levels of readiness usually provides those necessary intangibles.

The readiness of Reserve units does, of course, depend to a great extent upon the availability of modern equipment. One thing is certain. When Reserve units are assigned significant missions and responsibilities, they must be given the tools to do the job. It is morally indefensible to assign missions to Reserve units in order to achieve cost savings, and then fail to give those units the resources that will permit successful performance. Under the Total Force Policy, the Secretary of each Military Department is responsible for providing the necessary programs and budgetary actions that support the equipping which is necessary to ensure that units meet readiness standards and deployment schedules. Since there are insufficient resources to fully fund all programs, clear priorities must be established.

Prudence and common sense suggest that resources can and should be given first to those units, whether they are Active or Reserve units, that will be deployed first to a conflict. Since 1982, the DoD policy of "First to fight, First to equip" has guided the equipment distribution planning of the Military Departments. The policy requires that all units, regardless of component, be resourced for equipment, according to the sequence in which they are required to be in place to perform their wartime mission. It is important to ensure that when called to active duty, all critical Reserve units are instantly ready to fight. It will not matter at all that the amount of warning time for future conflicts goes up by a factor of five, if we take or

permit developments which increase the preparation time in which those Reserve units are ready to fight, by a factor of ten!

As we go about the business of reducing force structure, the implications for the readiness condition of all remaining units, Active and Reserve, must be kept in mind. In this regard, we should guard against the trap of assuming that any reduction in military capability or readiness is unacceptable. Certain types of forces must, of course, be kept at the highest state of readiness. Others need not be. In many cases, a shift of force structure from the Active to the Reserve components would involve no reduction in capability at all. Even when such a reduction would result, it may be acceptable in view of a changed evaluation of threat, the nature of the specific mission involved, and the significant cost savings that would result.

Other Training Initiatives

A program that has proven to be of extreme value to the readiness and training of all of the Reserve components is the Overseas Deployment Training Program. In 1989, some 3,139 separate Reserve units or cells, including 88,500 Reserve personnel, trained overseas in 96 different countries (see Table 1).

TABLE 1
OVERSEAS TRAINING BY COMPONENT
FY 1989

	<u>Cells/Units</u>	<u>Personnel</u>
Army National Guard	560	22,277
Army Reserve	1,341	18,401
Naval Reserve	408	12,495
Marine Corps Reserve	30	1,867
Air National Guard	252	14,815
Air Force Reserve	<u>519</u>	<u>16,441</u>
TOTAL	3,110	88,296

This program provides realistic mobilization and employment training, an opportunity to train under the operational chain of command, and familiarity with possible areas of wartime employment. It offers an excellent opportunity to improve ties between Reserve component units and their affiliated Active component counterparts and it is a terrific morale builder.

It also provides an opportunity for Reserve personnel to fulfill peacetime mission requirements for theater CINCs while conducting training. For example, the Army's rotation of Reserve heavy equipment maintenance companies to the Equipment Maintenance Center (EMC) in Kaiserslautern, Germany to solve theater maintenance backlogs during annual training periods has been highly successful. I was updated on this program during a recent trip to Germany. During the test phase in FY 89, six heavy equipment Reserve maintenance companies contributed 38,888

productive man-hours toward the repair of 3,100 items of equipment. This resulted in Theater labor cost avoidance of \$787,000. During FY 90, 12 heavy equipment maintenance companies are scheduled for 3-week deployment training periods at the EMC.

The National Guard's Aviation Classification Repair Activity Depot (AVCRAD) in Brussels, Belgium is also a successful and imaginative use of our Reserve forces in Europe. The AVCRAD provides our Active European forces with a forward deployed, pre-mobilization, depot-level aircraft maintenance capability in peacetime manned by Guardsmen engaged in annual training on a 2-3 week rotation basis. I am very impressed with this modern facility, including the quality of people who have been assigned there and the sophisticated equipment which is in-place. It has proven to be very cost-effective.

The Naval Reserve has developed the Shore Intermediate Maintenance Activity (SIMA) program which provides maintenance support for Naval Reserve Force (NRF) ships. The SIMAs perform intermediate as well as organizational level maintenance while providing meaningful assignments ashore to support sea/shore rotations and to retain the skilled petty officers necessary to man the fleet. SIMAs would augment destroyer tenders and repair ships for forward battle damage repair. Selected reservists are trained to back-fill the SIMAs upon mobilization.

Progress also continues on an initiative which started in FY 1986--the Army's Regional Training Sites-Maintenance. These sites provide needed training for Reserve component nondivisional maintenance units. Of the planned 21 sites, 12 have been acti-

vated and are proving valuable in overcoming transition and sustainment maintenance training shortfalls. The regional training site concept is also being extended for medical personnel. Two of seven medical training sites have been completed (Camp Shelby, Mississippi and Ft. Indiantown Gap, Pennsylvania). The Air Force Reserve and Air National Guard are developing similar Regional Training Centers which will provide state-of-the-art simulator training for aircrews. Crews will travel to the appropriate center to accomplish requirements in courses tailored to Air Reserve component crew member availability and experience.

We are also giving considerable attention to the modularization of formal school courses so that they will be better suited to the availability of Reservists. Many of the Services' school requirements for initial skill qualification, retraining or skill enhancement are longer than the training time available to Reservists. Each Service has initiated programs to reconfigure these courses into modules that can be taken in a combination of weekend and annual training periods to accommodate Reservists.

One of my deputies chairs an OSD Training and Training Technology Subcommittee, with membership from each Service, the JCS, each Reserve component, and selected OSD staff agencies. This Subcommittee searches for innovative ways to apply technology to unique Reserve component training challenges. During the past year, the Subcommittee initiated an effort to find ways to contract for the training of Reservists at their home station. We are about to finalize a new DoD Directive entitled, Contracted

Civilian Acquired Training (CCAT) for Reserve Components. The purpose of CCAT is to increase the number of mission-qualified individuals in Reserve component units. CCAT is an alternative to formal military school training and must be directly related to specific individual military job requirements and billet assignments. A pilot program is underway with the Florida Army National Guard, with management data being gathered by the Training Performance and Data Center (TPDC) in Orlando, Florida. I believe this effort has considerable potential for providing quality training at the home station, rather than requiring individual Reservists to leave their families and employers for long periods of schooling.

Research efforts are also being focused on information systems that provide a capability to analyze and correct training deficiencies. These systems are being developed by the Defense Training and Performance Data Center. One such effort is a microcomputer based system that permits us to analyze training requirements from a geographic prospective, an important factor in view of the geographical dispersion of Reservists. Another recent initiative of my office which has received the support of the Chiefs of the Reserve components, is the Reserve Component Nested Model. This is essentially an expansion of the micro-computer system concept to a mainframe system that permits the assessment of training needs and options at all levels of command, from the Reserve unit to the Service Chief.

Limiting Reserve Forces to a Reinforcing Role

As the Armed Forces adjust to current geopolitical and budgetary realities, a view has gained currency in some quarters that Reserve forces should be refocused and limited to a "reinforcing" and "sustaining" role. According to this view, National Guard and Reserve units would serve only to supplement Active forces during protracted contingencies or a general mobilization and subsequent to some initial period of conflict. Presumably, this concept would require Reserve units to be assigned late deployment responsibilities. It assumes the need to place all rapidly deployable "contingency" forces in the Active component. Like other policy proposals, it is neither as simple nor as attractive as it may seem at first blush.

First of all, it is contrary to the current policy of the Department of Defense which is to maintain as small an Active peacetime force as national security policy, military strategy, and overseas commitments permit. This policy was not accidentally or randomly adopted. It was adopted as a cost-effective way to meet increasing world-wide contingencies. It has been the consistent policy of the DoD to place maximum reliance on National Guard and Reserve units and manpower. We use Active units and manpower to support scheduled overseas deployments or sea duty, training requirements, and to support the rotation base. Above that level, we plan to support military contingencies with Guard and Reserve units and manpower when they can be available and ready within planned deployment schedules on a cost effective basis.

Second, the "reinforcing role" concept ignores the obvious opportunities for the use of the most highly qualified Reserve force in the peacetime history of the Nation. A combination in recent years of modern equipment, the assumption of major war-time missions and peacetime operational responsibilities, challenging/realistic training and other factors has produced a largely unanticipated synergistic effect -- the attraction into the Reserve forces of highly motivated, highly skilled people who are anxious to perform early deploying missions that would have been unthinkable for Reserve forces only a few years ago. The Nation has invested a great deal in the creation of this Reserve force. It should not be unthinkingly dismembered or relegated to a secondary role that will be unattractive to volunteer Reservists who have no obligation to serve at all. It should never be forgotten that with an All Volunteer Force, it is much easier to rebuild Active units with full-time personnel than Reserve units with part-time personnel.

Finally, the "reinforcing role" concept incorrectly assumes that force packages designed for "contingency" missions cannot include Reservists because such inclusion would inevitably result in unacceptable delays for retraining or "mobilization." Unless a particular conflict is considerably larger than what can fairly be characterized as a "contingency," it will not require "mobilization" in the sense of a massive recall of Reservists. The law (Title 10, U.S. Code, Section 673b) currently permits the President to make a limited, fast, selected recall to active duty of Selected Reserve units or individual mobilization augmentees.

Thus, the President may order to active duty anywhere between one and 200,000 members of the Selected Reserve -- without mobilization -- whenever he determines that it is necessary to "augment the [A]ctive forces for any operational mission." The Reservists involved can be retained on active duty for as long as 180 days. Since Selected Reservists are highly trained volunteers to begin with, any assumption that they are not available for rapid deployment is probably suspect.

Developing Neutral Principles for Force Mix Decisions

In making choices about whether to assign certain wartime missions or peacetime operating responsibilities to Active or to Reserve units, it is easy to overlook certain limiting factors, e.g., the fact that the amount of training time required to perform some missions creates unacceptable pressures in their civilian work places for participating Reservists. Enhancing factors can also be insufficiently taken into account. Because of experience gained during their previous full-time service on active duty, for example, many National Guardsmen and Reservists have capabilities that equal or exceed those of Active soldiers who are currently serving on active duty. It is widely recognized, for example, that many Reservists and National Guardsmen are among the best fighter, attack, and transport pilots in the world. Many planners also forget or have never fully understood just how much the quality of the Reserve components has improved in recent years.

On the assumption that the purpose of maintaining military forces is to deter war, and that combat units have greater deterrence than support units, some military leaders are of the opinion that when resources are limited, combat units should receive available resources at the expense of support units. Other leaders argue that a more credible deterrence is achieved when potential adversaries recognize that the United States is capable of engaging in conventional combat operations over a period of time, i.e., that we have a strong balance between purely combat forces and the support forces that are necessary to sustain them. Logically, of course, there should be no difference between the types of forces needed to deter conflicts and the forces needed to win them. A potential adversary's perception of his chances of succeeding in a conflict is usually related directly to his ardor to begin it. Moreover, a reasonable question can be asked as to whether we can afford two types of forces, one devoted to deterring war and one to winning it.

I have long been of the view that as a general proposition Active and Reserve forces should be balanced, i.e., that each should contain an appropriate mix of combat and support elements. A corollary of this approach is that neither Active nor Reserve forces should be unique in the absence of a specific military need that can or must be met by uniqueness. The costs of such uniqueness can be unacceptably high. If a Reserve component, for example, is given a mission or equipment not found in the Active component, there may be no pipeline from which the Reserve component may receive personnel trained to perform, or spare parts

for the equipment needed for the mission. Certain missions, however, may call for uniqueness. The Army Reserve Civil Affairs personnel who have served in Panama since the commencement of Operation JUST CAUSE, for example, have brought to their nation-building task an array of civilian skills that simply cannot be found or maintained in Active units.

As we reduce force structure, it is important that budget cuts proposed by the Services not have disproportionate and adverse impacts on National Guard or Reserve units unless there are sound reasons for such impacts. Indeed, even equal cuts of Active and Reserve forces are not *per se* and inevitably wise. Too many analysts are of the view that since Active and Reserve forces grew together during the decade of the 1980's, they must now suffer force structure reductions at the same rate. Approximately equal force structure reductions of Active and Guard/Reserve forces may be justifiable in certain instances on the ground that when a particular combat unit is reduced, its support units should receive a similar cut, but equal cuts should not be automatic. Such a philosophy suggests an approach to cutting force structure that bears no apparent relationship to a sound strategy or plan and no recognition of the relative cost of Active and Reserve units. It may also exacerbate any existing structure imbalance between combat and support units. In the December 7, 1989 edition of the Washington Post, former Chairman of the Joint Chiefs of Staff, Admiral Bill Crowe, made the point that:

The usual device for keeping political pressure manageable has been to cut

all organizations and weapons procurements equally, while eliminating none of them.

* * *

Forces and services that are cut must be related to more than just budgets. As the size of our active forces goes down, increasing attention should be given to our reserve units and the mobilization system.

Much of the ongoing debate about whether Reserve forces should constitute a relatively higher percentage of the Total Force in the future, relates to the relative cost of assigning a particular mission to a National Guard or Reserve unit rather than to an Active unit. Since Reserve units are not fungible items, costs vary. In some cases, the costs incurred by a Reserve unit in training for and performing a particular mission are as great or almost as great as those incurred by Active units which perform the same type of mission. In other cases, National Guard or Reserve units are much less expensive.

Whether a particular Reserve unit is one third or two thirds as costly as an Active unit, the fact remains that Reserve forces are usually less costly over a period of time than Active forces. In addition to the fact that they train an average of only 39-50 days per year, citizen-soldiers sleep and eat at home and the infrastructure which is required for them is less. Consequently, I believe that for cost reasons alone, a rebuttable presumption should exist that missions should be considered for assignment to the Reserve forces unless there are sound and apparent military reasons for assigning the missions to the Active forces. If the presumption can't be easily rebutted, then a particular mission would seem to be a prime candidate for assignment to the Reserve forces.

We should avoid wholesale shifts of force structure to the Reserve components merely because they are generally less expensive. Any force structure/force-mix decision that is driven solely by budget imperatives should be closely examined. However, the converse is also true. Broad conclusions that Reserve forces provide unacceptable levels of military capability must also be rejected. Force mix decisions must be made on a mission-by-mission, unit-by-unit, case-by-case basis.

As we reduce force structure and develop the appropriate mix of Active and Reserve forces, it is important that we preserve as much of our human capital as is possible. Innovative approaches will be necessary to ensure that as highly trained individuals (especially leaders) leave the Active forces, they are encouraged to continue their service in Reserve units. New ideas such as the "Double Roundout" concept (in which an Active division of ground troops would have two National Guard/Reserve brigades and one Active brigade, instead of the other way around) will also need to be energetically explored.

Despite unreasonably high expectations to the contrary in some quarters, the Total Force Policy Study Group will not be able to answer all force structure/force mix questions which merit attention. The world geopolitical situation is simply too fluid and dynamic for that. I am very hopeful, however, that the Study Group will be able to develop certain "neutral" principles that may eventually take the form of policy guidance by the Secretary of Defense to the Services. Those principles might include ideas similar to the following and/or other ideas:

1. Like the Active forces, Reserve forces are not immune from structure cuts, but Service force mix proposals should be based on a military rationale other than "equal" cuts of Active and Reserve forces for the sake of equality;
2. The rationale relied upon by the Services in each case and for each mission should be credible and easily understood in order to receive as wide acceptance as possible;
3. Force mix proposals should be regularly made and analyzed on a mission-by-mission, unit-by-unit (capability) basis which is clearly related to the war plans;
4. If significant cost savings can be achieved by a transfer of force structure to a Reserve component (for the performance of a particular mission), a working presumption should be established that the transfer should be made. The presumption can then be rebutted by the demonstration of a sound military reason why the transfer should not be made (e.g., the mission requires a forward deployed unit over a period of time);
5. A similar rebuttable presumption should be made that when an Active or a Reserve unit is withdrawn from the force structure, a certain part of the cost savings will be dedicated to the strengthening of the remaining force structure before the savings are applied to other needs;
6. All units, Active or Reserve, should be resourced (for equipment, training, and other purposes) according to the sequence in which they would be required to perform their wartime or other operational missions; and
7. A rebuttable presumption should be established against force mix decisions that result in placing a particular mission exclusively in a Reserve component. The presumption can be rebutted by the demonstration of a sound military reason why the principle should not apply in a particular case.

The Manpower of the Selected Reserve

It is clear that we must continue to anchor our global military strategy to the fundamentally sound doctrines of deterrence, flexible response, forward defense, security alliances and prudent arms reductions. The challenging issue is the question of what kind of forces are needed to carry out the strategy. In addressing that issue during the preparation of our FY 1991

budget request, we established certain budgetary priorities, including the retention of (1) versatile, ready, deployable and sustainable conventional forces, and (2) substantial Reserve forces -- including essential logistics, infrastructure, and planning bases.

The end-year strength for the Selected Reserve which has been requested in the President's Budget for FY 1991 is 1,151,600, a modest reduction of 3,400 from FY 1990. The strength at the end of FY 1990 will be 15,600 below FY 1989. The lower strength is due to a FY 1990 reduction of 9,700 by the Army National Guard and a 10,000 reduction in the Army Reserve. An additional decrease of 3,700 in the FY 1991 program is almost entirely attributable to the reduction in the Naval Reserve. By comparison, by the end of FY 1991, the Active force end strength will decline to 2,038,800, some 91,400 less than the FY 1989 level and roughly equal to 1980 end strength. The decrease in the end strength of the overall Selected Reserve represents the first decrease in over a decade, and is in marked contrast to the nearly 35 percent growth of the Selected Reserve between FY 1980 and FY 1989. During that period, Selected Reserve manpower increased by more than 300,000 (from 868,617 to 1,170,560).

The Selected Reserve strength reductions included in the FY 1991 budget for the Reserve components of the Army were based primarily on fiscal considerations (i.e., to achieve compliance with the 1990 Budget Resolution and the partial sequestration) and were not premised on force structure reductions or realignments. Within the overall reduction in Selected Reserve

strengths, however, the Army National Guard, in an effort to improve readiness, has increased its full-time Active Guard and Reserve strengths. The Selected Reserve strength request for the Naval Reserve in FY 1991 provides for an increase associated with additional ships being transferred to the Reserve and an increase in the Reserve medical program, offset by manpower economies in areas that are now considered excess to need. There are only minor changes in strength levels in the Marine Corps Reserve and the Reserve components of the Air Force.

Despite the FY 1990 and FY 1991 reductions, the Selected Reserve will continue to constitute 1.2 million of the 3.2 million member Total Force. The expanded scope, size, and nature of the missions assigned to the Reserve components under the Total Force Policy, require that units of the Selected Reserve, especially early deploying units, be manned at combat-ready levels.

TABLE 2

Selected Reserve Manpower
(End Strength in Thousands)

	<u>Actual FY 1989</u>	<u>Estimated FY 1990</u>	<u>Projected FY 1991</u>
Army National Guard	457.0	447.3	447.3
Army Reserve	319.2	309.2	309.2
Naval Reserve	151.5	153.4	149.7
Marine Corps Reserve	43.6	44.0	43.9
Air National Guard	116.1	116.2	116.3
Air Force Reserve	<u>83.2</u>	<u>84.9</u>	<u>85.2</u>
DoD Total	1,170.6	1,155.0	1,151.6
Coast Guard Reserve	12.0	12.1	12.8

End strength reductions in the Army Reserve (10,044) and the Army National Guard (9,660) since FY 1989 are offset by the combined increase of 4,700 authorizations for the other four Reserve components. The Army Reserve decrease is based on fiscal constraints, while the Army National Guard decrease was required to pay for the needed additional full-time personnel.

In FY 1991 general purpose forces will thus include 30 divisions. The Army will decline to 16 Active divisions (about half with Reserve roundout brigades) and 10 Reserve divisions; the Marine Corps will have three Active divisions/wings and one Reserve wing. Naval aviation will include 13 Active and two Reserve carrier air wings.

Strength adjustments after FY 1991 will be dependent in important part on principles being developed by the Total Force Policy Study Group and the allocation of missions among all of the uniformed components of the Total Force.

Recruiting for the Selected Reserve

During Fiscal Year 1989 enlistments were reduced by 6,700 personnel (3 percent). The decrease was the result of a reduction in the Services' recruiting objectives due to the successful buildup of the Selected Reserve during the decade of the 1980's and the higher retention of career enlisted personnel.

Demographic projections for the 1990s suggest a declining population of young, qualified candidates for military service. Improved training opportunities, incentive programs and entitlements, such as the Montgomery GI Bill, will be important to the

success of Reserve manpower programs. Prior-service enlistments exceeded non-prior service enlistments by more than 29,800 during Fiscal Year 1989, constituting 57 percent of total enlistments.

Table 3 summarizes Selected Reserve enlisted recruiting.

TABLE 3

DoD Selected Reserve
Enlisted Accessions Summary
(Members in 000s)

<u>CATEGORY</u>	<u>FY 1980</u>	<u>FY 1985</u>	<u>FY 1989</u>
Army National Guard	97.1	83.0	71.1
Army Reserve	59.4	78.9	75.4
Naval Reserve	28.1	33.1	30.2
Marine Corps Reserve	9.3	9.7	12.0
Air National Guard	16.0	14.9	11.6
Air Force Reserve	<u>12.1</u>	<u>13.2</u>	<u>11.6</u>
TOTALS	222.1	232.8	211.9

The quality of enlisted Reserve personnel remains high. In 1989 more than 91.2 percent of non-prior service enlistees had a high school education or equivalent, and more than 92.9 percent tested in categories I-III on the Armed Forces Qualification Test. The overall improvement in the quality of nonprior service recruits since 1980 is substantial, as shown in Table 4.

TABLE 4

**Selected Reserve Enlistments (DoD)
Quality Indicators**

	<u>High School Graduates*</u>	<u>Grads.as % of Tot. Enlist.</u>	<u>Number of AFQT I-III**</u>	<u>AFQT I-III as % Tot. Enlist.</u>
FY 1980	61,300	65.5%	68,300	72.9%
FY 1989	80,052	91.2%	81,517	92.9%

*Includes equivalency certificate and diploma graduates as well as high school students who enlisted prior to their graduation and were expected to graduate.

**AFQT Categories I-III include enlistees who score average or above on the enlistment test.

The continued success of Reserve accession programs in terms of numbers and quality is due to a combination of factors including recruiting resources and the Montgomery GI Bill. The combination of targeted bonuses, educational assistance programs, and challenging occupational opportunities continues to attract high caliber individuals. Funds to support recruiting advertising, recruiting and retention incentives will be important to maintain the present level improvements in manpower quality.

The Department has devoted considerable resources to the promotion of the Montgomery GI Bill. The Joint Recruiting Advertising Program (JRAP) budget for Fiscal Year 1989 was approximately \$26.3 million, of which approximately \$19.4 million was for television spots and collateral materials including coverage for the Montgomery GI Bill. The media experts estimate these television spots will reach 93 percent of American households having television sets. The JRAP also funds a monthly mailing to between 120,000 and 140,000 young men recently registered with

the Selective Service, explaining educational opportunities of the Active forces, the Reserve forces, and the Montgomery GI Bill. Also included in the JRAP budget is about \$1 million for Futures magazine, sent to most high school seniors, and featuring advertising from the Armed Services. Table 5 identifies Recruiting Resources by Reserve component for Fiscal Years 1989 through 1991.

TABLE 5

Recruiting Resources by Reserve Component
(Current \$ in Millions)

Component	Actual FY 1989	Programmed FY 1990	Budget FY 1991
Army National Guard	261.3	261.6	267.4
Army Reserve	182.2	195.5	205.6
Naval Reserve	87.5	98.6	99.3
Marine Corps Reserve	51.9	52.9	53.5
Air National Guard	45.6	49.6	52.2
Air Force Reserve	33.1	39.1	39.0
Joint Adv.	<u>2.1</u>	<u>2.1</u>	<u>2.1</u>
TOTALS	663.7	699.4	719.1

*Numbers may not total due to rounding.

Entitlement to educational assistance under the Montgomery GI Bill requires an obligated term of service of at least six years in the Selected Reserve. One measure of the value of this legislation with respect to Selected Reserve manpower is its effect on the number of six-year enlistments. Since the inception of the program, accessions committing to six-year or greater terms of service have steadily increased. The proportion of new accessions electing six-year terms has increased from 39 percent of all nonprior Selected Reserve accessions in Fiscal Year 1985,

to 67 percent of all accessions in Fiscal Year 1989. While not all of this increase can be attributable to the Montgomery GI Bill, since enlistment bonuses and general economic conditions also play a role, there is no doubt that the bill is a significant factor. At the end of FY 1989, 39 percent of all members eligible for educational assistance had actually applied for benefits. This is up from 35 percent at the end of FY 1988.

Because of the complexity of program administration associated with the provision of educational assistance to Reservists in the seven National Guard and Reserve components (including the Coast Guard Reserve), continued emphasis has been placed on improvements to administrative procedures and automated systems. System enhancements put in place in FY 1988 were refined during FY 1989. These enhancements include redesign of the Montgomery GI Bill data file, increased data storage space, improved response time, and the capture of historic service data for Selected Reserve members whose eligibility for educational assistance is based upon prior active duty service.

Table 6 provides data for a comparison of program eligibles and participants for Fiscal Years 1988 and 1989. The percentage of eligibles actually applying for educational assistance increased in all components during the past year.

TABLE 6

**Montgomery GI Bill-Selected Reserve
Percentage of Applicants to Eligibles
As of September 30, 1989**

Reserve Component	Eligibles	Applicants	Percentage of Participation	
			FY 89	FY 88
Total				
Selected Reserve	395,326	156,896	39.7	35.4
Army National Guard	179,001	61,722	34.5	31.0
Army Reserve	72,023	38,152	53.0	47.1
Naval Reserve	37,786	16,332	43.2	38.8
Marine Corps Reserve	19,284	10,645	55.2	46.7
Air National Guard	48,707	18,513	38.0	32.3
Air Force Reserve	34,484	10,282	29.8	26.5
Coast Guard Reserve	4,041	1,250	30.9*	64.2

*The Coast Guard change was due to a data correction for Fiscal Year 1989, of the number of Eligibles which are not included in the Fiscal Year 1988 total.

The Montgomery GI Bill has proven to be particularly attractive to young high school graduates interested in pursuing their education beyond high school. Eighty nine percent of the enlisted participants in the program are under age 30, while only sixty-five percent of all enlisted members are under age 30. Fifty percent of the participants are under age 22. With eighty-four percent of current participants attending school either full-time or three-quarter time, the Montgomery GI Bill seems clearly to be reaching its intended audience. Table 7 identifies the benefit level of participants by Reserve component.

TABLE 7

Montgomery GI Bill - Selected Reserve Participation
College or University Enrollment by Component

<u>Reserve Component</u>	<u>Full-Time</u>	<u>3/4 Time</u>	<u>1/2 Time</u>	<u>Percentage of Full or 3/4</u>
Army National Guard	32,467	5,116	5,419	87.4
Army Reserve	18,420	3,200	3,434	86.3
Naval Reserve	7,520	1,608	2,014	81.9
Marine Corps Reserve	6,125	1,084	847	89.5
Air National Guard	8,905	1,936	3,290	76.7
Air Force Reserve	3,811	1,256	2,069	71.0
TOTALS*	77,262	14,204	17,078	84.3

*Participants who received benefits while attending on a less than half time basis are not shown. Eligibility for less than half-time study began in November 1988. The Coast Guard Reserve is not included due to the extent of missing data on level of participants.

Annual costs of the program from Fiscal Year 1985 through the budget year Fiscal Year 1991, are portrayed below in Table 8.

TABLE 8

Montgomery GI Bill-Selected Reserve
Annual Obligations
(Current \$ in Thousands)

<u>FY 1985</u>	<u>FY 1986</u>	<u>FY 1987</u>	<u>FY 1988</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
19,862	118,965	160,417	107,500	81,600	75,200	74,800

In July 1989, the DoD Education Benefits Board of Actuaries reevaluated the per capita normal costs charged to the Services. Based upon revised participation rates, the estimated obligations to the Education Benefits Fund were reduced.

The Montgomery GI Bill for the Selected Reserve is unique for two reasons. First, it provides benefits to participants

before their required service is completed so long as they have completed initial training. Second, the program is available to all Reservists who agree to serve for six years, not just to new entrants. Administration of the program is shared by the Department of Defense and the Department of Veterans Affairs. The Defense Manpower Data Center (DMDC) acts as the central clearing house between DoD and DVA for Service reports of eligibility. This information is passed weekly to the DVA which makes it available to their regional offices. Benefit payments are processed by the DVA in much the same manner as any other entitlement program. The challenge of operating and maintaining a functional educational benefits administration system encompassing the reserve units, DMDC, and the DVA is being met and managed with fewer problems each year as experience increases.

Full-Time Support Personnel

The full-time support program continues to be important to the readiness of the Reserve components. The categories of personnel who provide full-time support are Active Guard and Reserve, Military Technicians, Active component members, and civil service personnel. They organize, train, recruit, and administer the Reserve component forces, as well as maintain equipment and perform other logistical activities. About 12 percent of the total Selected Reserve was serving in Active Guard and Reserve or Military Technician status at the end of FY 80. The total strength for full-time support personnel at end of FY 89 was approximately 15 percent of the Selected Reserve, with

over 78 percent of those full-time personnel working in direct support of part-time unit activities.

The availability of sufficient full-time support has long been associated with the ability to achieve and maintain Reserve component readiness. Since 1985, the Reserve component full-time support force has grown by over 20,000 and there appears to be a significant correlation between this growth and the improved readiness of particular National Guard and Reserve units. Since the training time of the part-time Reserve members is limited, sufficient numbers of qualified full-time personnel are essential to ensure that training time is used effectively and that the sophisticated equipment in today's Reserve units is properly maintained.

Reserve unit full-time support requirements must be developed on a mission-by-mission and case-by-case basis with the specific unit mission in mind. The full-time support personnel mix must be cost effective, achievable, and appropriate for mission requirements. The management structure and guidance must be continually reviewed to ensure most cost effective full-time support force is maintained.

The goal of the Department of Defense is to maintain an adequate level of full-time support commensurate with readiness requirements and program affordability. As resources diminish, so must our management of this critical program intensify. At this time, most full-time support program changes are related to new force structure or new missions. While the resources requested do not completely close the gap with total requirements,

they do represent a prudent level of full-time support consistent with current Reserve unit missions and responsibilities.

We have just completed an analysis of the Department's full-time support program as directed by the Senate Armed Services Committee. The report on the analysis examines in detail the structure, history, and management of the full-time support programs of the National Guard and Reserve components. The report introduces a new display format for full-time support manpower which will be included in the detailed National Guard and Reserve budget justification books which accompany the President's Budget. It also describes the DoD methods for assigning priorities to full-time support needs.

The Department is developing more detailed guidance for the Services on requirement determinations and full-time support force mix. A study is currently underway of the analytical approaches used by the Services to make full-time support resourcing decisions. The results of this review will help the DoD improve its guidance to the Services. I consider this effort very important to future program management, particularly in these times of force structure scrutiny at all levels.

TABLE 9

Full-Time Support (End Strength)
Active Guard and Reserve (AGR)

	<u>FY 1989</u> <u>Actual</u>	<u>FY 1990</u> <u>Estimate</u>	<u>FY 1991</u> <u>Request</u>
Army National Guard	25,893	26,199	26,199
Army Reserve	13,344	13,344	13,344
Naval Reserve	21,987	22,708	22,997
Marine Corps Reserve	1,948	2,301	2,401
Air National Guard	8,019	8,517	8,468
Air Force Reserve	<u>635</u>	<u>686</u>	<u>655</u>
TOTAL	71,826	73,755	74,064

TABLE 10

Full-Time Support (End Strength)
Active Component

	<u>FY 1989</u> <u>Actual</u>	<u>FY 1990</u> <u>Estimate</u>	<u>FY 1991</u> <u>Request</u>
Army National Guard	576	576	576
Army Reserve	1,163	1,163	1,163
Naval Reserve	6,969	7,471	7,435
Marine Corps Reserve	5,035	4,999	4,971
Air National Guard	600	599	600
Air Force Reserve	<u>536</u>	<u>592</u>	<u>603</u>
TOTAL	14,879	15,400	15,348

TABLE 11Full-Time Support (End Strength)
Civilians

	FY 1989 <u>Actual</u>	FY 1990 <u>Estimate</u>	FY 1991 <u>Request</u>
Army National Guard*	3,087	2,606	2,606
Army Reserve	5,613	5,473	5,496
Naval Reserve	3,002	2,950	2,879
Marine Corps Reserve	333	352	352
Air National Guard*	2,511	2,541	2,571
Air Force Reserve	<u>4,857</u>	<u>4,547</u>	<u>4,320</u>
TOTAL	19,403	18,469	17,224

*Includes Title 5 and Title 32 civilian employees

TABLE 12Full-Time Support (End Strength)
Technicians

	FY 1989 <u>Actual</u>	FY 1990 <u>Estimate</u>	FY 1991 <u>Request</u>
Army National Guard*	25,923	26,257	26,447
Army Reserve	7,613	7,629	7,352
Air National Guard*	23,140	23,760	23,399
Air Force Reserve	<u>9,299</u>	<u>10,050</u>	<u>10,037</u>
TOTAL	65,975	67,696	67,235

* Only includes dual-status military technicians

The Individual Ready Reserve

The Individual Ready Reserve (IRR) is the principal source of trained individuals to fill wartime manpower shortages in

Active and Reserve units. The IRR would be used to fill shortages in existing units, as well as to replace combat casualties during the early period of a full mobilization.

In Fiscal Year 1987, my office initiated a requirement for eligible IRR personnel to report at least one day during the year to permit evaluation of skill proficiency, upgrade of personnel records, and to confirm mobilization availability. The screening program has now been enhanced by a recent change to Title 10 U.S. Code to establish a new form of duty called "muster duty," designed for certifying IRR mobilization availability. The change also sets up a new pay structure for this type of duty which hopefully will be more expedient and cheaper for the Department, and more equitable for the individual IRR member. Table 13 illustrates the IRR muster screening results for FY 1989.

TABLE 13

IRR Muster Screening Results*

	<u>Subject to Screen</u>	<u>Numbers Screened</u>	<u>% Screened to Those Subject To Screening</u>
ARMY	99,353	61,101	61.5%
NAVY	38,485	28,013	72.8%
AIR FORCE**	3,990	3,285	82.3%
MARINE CORPS	17,892	16,577	92.6%

*In addition, the Services conduct screenings by mail of IRR members who are not available for the active duty screening.

**Air Force Reserve was authorized to conduct one-time limited screenings of longer duration.

To remind each member of the IRR of his or her legal obligation to maintain mobilization availability, the IRR reporting

requirement (muster screening program) also provides other benefits. The Department is able to maintain current address data to ensure expeditious mobilization. Muster also provides encouragement for IRR members to upgrade their status and join a Selected Reserve unit. Over 10,000 IRR members per year indicate during the screening a desire to affiliate with a local unit.

As in previous years, the FY 1989 screening highlighted the problems associated with an Army IRR retention policy established following Congressional direction in the 1979 Defense Authorization Act. The Act directed the Secretary of the Army to retain many individuals in the IRR who normally would have been discharged. The intent was to help overcome serious Army IRR manpower shortages that existed then. In conjunction with the Department of the Army, we are now reexamining that policy.

Table 14 reflects the Individual Ready Reserve strength profile by Reserve component.

TABLE 14

IRR Strength

	FY 1989 <u>Actual</u>	FY 1990 <u>Estimate</u>	FY 1991 <u>Projected</u>
Army National Guard (ING)	10,126	10,507	10,507
Army Reserve	274,588	329,476	431,965
Naval Reserve	86,556	113,600	135,000
Marine Corps Reserve	36,552	48,000	74,000
Air Force Reserve	<u>53,117</u>	<u>46,515</u>	<u>46,500</u>
 TOTALS	 460,939	 548,098	 697,972

**The Reserve Officer Personnel
Management Act**

The Department of Defense submitted a major legislative proposal to revise the laws governing Reserve officer appointments, promotions, separations, and transfers to the Retired Reserve in each of the 99th, 100th, and 101st Congresses. The Reserve Officer Personnel Management Act (ROPMA) proposal has been developed to closely parallel the provisions of the Defense Officer Personnel Management Act (DOPMA) which was enacted in 1980 to improve the management of Active force officers. A hearing on ROPMA was held by the Subcommittee on Military Personnel and Compensation of the House Armed Services Committee near the end of the 100th Congress. The legislation was revised in technical detail and introduced in the 101st Congress as H.R. 2200. This version is still awaiting consideration. This important legislative proposal remains a key concern of the Department and I hope that hearings will resume in the near future.

The legislation would provide a uniform and improved officer personnel management system for Reserve officers. It would help ensure equitable, cost-effective management of Reserve officers and improved contribution to the readiness of the Reserve forces. The provisions of ROPMA are particularly important with respect to improved and more uniform management for officers serving in the health professions. It would stimulate long-range planning which is necessary to provide Reserve officers with attractive and meaningful careers.

It is self-evident that we need to attract and retain officers in the Reserve of the proper age and grade, who possess the

skills and experience needed by today's Reserve components. ROPMA is the means to that end since it would provide the personnel management flexibility to react to changing roles, missions, and force structure. I strongly urge you to act on this important management proposal as quickly as possible.

Legislative Initiatives from the Sixth Quadrennial Review of Military Compensation

President Reagan directed that the Sixth Quadrennial Review of Military Compensation (QRMC) conduct a comprehensive review of compensation for members of the Reserve components in light of their increasing importance within the Total Force. The QRMC report contained seventy-six recommendations on pay, incentives, allowances, tax, employment, mobilization, disability, full-time support, retirement, and medical personnel issues. The report was forwarded to Congress by the Secretary of Defense on July 12, 1989. Many of the proposals of the Sixth Quadrennial Review of Military Compensation were part of the President's legislation request to the 101st Congress. Approximately 20 of the QRMC recommendations requiring legislation have been enacted. The DoD recommendations still requiring legislation are currently being coordinated within the Administration.

Equal Opportunity for Reservists

The Reserve components have been full partners in the DoD Equal Opportunity initiatives. Representatives of my office actively participate in the Defense Equal Opportunity Council as well as on the working groups and subcommittees within the Coun-

cil and the Defense Advisory Committee on Women in the Services. The recently published DoD Instruction establishing new Affirmative Action planning and reporting requirements requires Reserve components to track the same data as the Active components. My staff participates in the analysis of the affirmative action plan goals and achievements of all components, both Active and Reserve.

The overall racial and ethnic composition of the Reserves generally parallels that of the Active Forces, although there are many regional differences, particularly in the Army Guard, based upon the available manpower pool in specific geographic locations.

The percentage of women in the Selected Reserve has increased for nine consecutive years. At the end of FY 1989 it was 12.5 percent. Barely a decade ago women comprised less than 5 percent of the National Guard and Reserve, serving in traditional functional areas such as administration, personnel, and medicine. They now serve in all military specialties, except those prohibited by legislation and associated Service policies. Women now also serve in many career fields which historically have been staffed exclusively by men (e.g., operations, intelligence, and maintenance). The senior leadership of the National Guard and Reserve is ensuring that career and leadership opportunities are afforded to women within their respective components. For example, the first woman general in the Army Reserve was appointed last summer. National Guard and Reserve women now comprise 37 percent of the total women who serve in the Armed Forces.

Representatives from my office, working on other Equal Opportunity objectives within the framework of the Defense Equal Opportunity Council and the Defense Advisory Committee on Women will continue to ensure that the Reserve components remain full participating partners in the ongoing efforts to ensure equal opportunity for Reservists.

**Department of Defense National Guard/
Reserve Family Member Identification Card**

The DoD Guard/Reserve Family Member Identification Cards are currently being produced at the Service level. Distribution will begin as soon as the implementing directive DoDI 1000.13 is published. The new ID cards will replace current Service-specific Reserve Dependent ID Cards on a phased-in basis.

The DoD Family Member ID Card will provide an improved means of ensuring that only bonafide dependents of Reservists have access to commissary, exchange, and/or MWR privileges. The identification card will also enhance the security on military installations by providing verification of an individual's relationship to a Reserve sponsor. I anticipate that by 1994, the only acceptable identification for a National Guard or Reserve dependent will be either the active duty dependent ID card or the DoD Guard/Reserve Family Member ID Card.

I am also pleased to report that the Armed Forces Commissary Privilege Card has been fully fielded to all eligible members of

the Selected Reserve. Although the card will be issued mainly in the sponsor's name from a central source within each Service and on an annual basis, units may request the issuance of a card at anytime during the year.

The Employer Support Program

Employment pressures on National Guardsmen and Reservists continue. No other nation in the world requires as much training time for its Reservists as does ours. As Guardsmen and Reservists assume a greater share of the national defense mission, the periods of absence from the civilian work place increase and create additional employment pressures. During the current year, approximately one-third of the National Guardsmen and Reservists who leave the Selected Reserve before completing their first five years of Reserve service will likely do so, in part, because of employment pressures. The substantial costs of training replacements and the impact on readiness make it essential that we work to relieve those pressures. Several programs to address these challenges are underway.

The National Committee for Employer Support of the Guard and Reserve (NCESGR) is a grass roots organization of over 5,000 volunteers which continues to obtain the support of business and corporate leaders for members of the Reserve components. NCESGR is currently implementing a new program which we refer to as "Mission One." The purpose of "Mission One" is to identify a trained volunteer for each of the over 6,000 Guard and Reserve training sites across the United States. These volunteers are

knowledgeable in employer/Reservists rights and act as advisors to the uniformed members and employers. Eleven states have already implemented the program, and all others are in the process of recruiting and training additional volunteers.

Other NCESGR programs also continue to be important. Through the utilization of scheduled aircraft training missions, some 3,400 employers were transported this past year on 89 "Bosslifts" to observe actual field training of National Guardsmen and Reservists. The employers received briefings on the roles, missions and capabilities of the modern Reserve component forces. The activities visited included the Army National Guard's High Tech Training Center at Fort Dix, New Jersey; Military Police training at Fort McClellan, Alabama; afloat and ashore Navy and Marine training at Norfolk and San Diego; Air Force training at San Antonio, Texas; Coast Guard training and drug interdiction operations in Florida; and others.

A series of training workshops was conducted throughout this past year to improve the competence of the state-level volunteer committees. A public affairs workshop was conducted in May 1989 to increase committees' efforts in publicizing Reserve component activities. Over 200 local job rights ombudsmen received training to further improve liaison and conflict resolution at the local level. The National Ombudsman staff acted on more than 7,000 information inquiries or complaints, a 13 percent increase over 1988.

Since 1984, the Defense and Labor Departments have been working together on the development of a legislative proposal for

the consolidation and modernization of Title 38, U.S. Code provisions which govern the reemployment rights of veterans and Reservists. Incorporating a considerable body of case law, this proposal would establish common standards of protection for Federal, State, and local government employees, as well as private sector employees. Work on the proposal is nearing completion.

National Guard And Reserve Equipment

During FY 1989, the Department of Defense and the Services continued to improve the equipment condition of the Reserve components. The impact of increased funding during the decade of the 1980's continues to be reflected in both improved capabilities and higher equipment fill-rates.

On the basis of a representative sampling of 1,550 major line items in my FY 1991 report to Congress (on the status of National Guard and Reserve equipment), I estimate that equipment valued at \$9.6 billion was delivered to National Guard and Reserve forces during FY 1989. This included 293 fixed wing aircraft, 221 helicopters, two ships, 812 tanks, more than 10,900 tactical and support vehicles, as well as engineering, communication, and other equipment. Future projections indicate a declining level of equipment distribution to the Reserve components to an average of \$6.7 billion annually over the next four years. This reduction is in direct correlation to the level of Service procurement funding.

On the basis of this representative sample, it is my opinion that if the Reserve forces were mobilized during FY 1991, they would be able to field approximately 84 percent of their required equipment, in terms of dollar value. Through the use of available substitute items, this capability could be raised to approximately 89 percent.

Even if the Department achieves a one hundred percent execution of its current equipment redistribution and procurement plans, shortfalls will remain. The FY 1991 National Guard and Reserve Equipment Report projects a very impressive on-hand equipment fill-rate of 85 percent (93 percent counting available substitutes) by the end of FY 1993; however, this unprecedented fill-rate still leaves an equipment shortfall of about \$10 billion. This is \$1.4 billion larger than last year's shortfall forecast of \$8.6 billion for FY 1992. This increase in shortfall is due to a combination of increasing requirements and decreasing procurement funding. Further progress in closing the gap between equipment on hand and wartime requirement is becoming increasingly difficult, given the availability of resources.

Service plans for FY 1991 Reserve component equipment procurement are contained in the Departments' P-1R report which accompanies the President's budget request. It reflects the types, quantities, and costs of equipment items to be procured for the Reserve components. The report identifies \$1.33 billion for National Guard and Reserve equipment procurement in FY 1991.

For the first time, the Department of Defense has submitted a specific request this year for the funding of equipment for the

Reserve forces. For FY 1991, we are requesting \$455.4 million. This amount is over and above what the Services are requesting per their P-1R report. This new initiative by the Department to dedicate substantial funds to the equipment needs of the Reserve forces will, we believe, ensure that those needs are, in fact, addressed even as the DoD budget as a whole is reduced.

Table 15 shows the total DoD and Reserve component procurement budget for FY 1989 through FY 1991. The FY 1989 and FY 1990 budget figures reflect the Service-allocated procurement funds (P-1R) plus the congressional adds. The FY 1991 figures consist of P-1R funds and the DoD-requested funds.

TABLE 15

	DoD PROCUREMENT (\$ in Billions)		
	<u>FY 1989 Budget</u>	<u>FY 1990 Budget</u>	<u>FY 1991 Budget</u>
Total DOD Procurement	79.4	82.6	77.9
Guard and Reserve Procurement	3.5	4.2	1.8

Table 16 shows the Service (P-1R), DoD, and total budget request for each Reserve component as included in the President's budget request for FY 1991.

TABLE 16

FY 1991 PROCUREMENT BY RESERVE COMPONENT
(\$ in millions)

<u>Component</u>	<u>Service Request</u>	<u>Guard/Reserve Account</u>	<u>Total</u>
Army Guard	538	133.0	671.0
Army Reserve	214	61.1	275.1
Marine Corps Reserve	43	25.0	68.0
Naval Reserve	111	60.4	171.4
Air National Guard	318	130.3	448.3
Air Force Reserve	<u>106</u>	<u>45.6</u>	<u>151.6</u>
TOTAL	1,330	455.4	1,785.4

National Guard and Reserve Facilities

The maintenance of present Reserve component facilities remains a priority. For repair and maintenance activities of 5,300 Reserve component facility locations in more than 4,500 communities, the DoD has requested \$638 million for FY 1991. The FY 1991 funding level will not permit a reduction in the backlog of maintenance and repair. We are optimistic, however, that force structure changes in the Military Departments will permit the Reserve components to eliminate some aging facilities and utilize facilities vacated by Active forces.

The FY 1991 Guard and Reserve Military Construction budget request of \$280 million is \$382 million (58%) lower than the FY 1990 appropriation. It also represents a \$101 million (27%) decrease from last year's FY 1991 budget request submitted as part of the FY 1990/1991 biennial budget.

This substantial reduction in the Department's request does not signify a reduction in the facilities requirement. It repre-

sents a programatic pause in funding potential requirement changes associated with force structure changes. In fact, the requirements for FY 1991 and beyond may grow substantially due to new equipment deliveries, equipment redistributions from Active forces, and dedicated Reserve components equipment funding increases. The demands of force structure changes, increased training, new equipment, and an aged facilities inventory may support a substantial military construction budget request in the future. The effect of this constrained funding will cause an increase to \$7.7 billion in the construction backlog in the short run.

I have taken several steps to improve the cost-effective use of facilities during this period of reduced resourcing. Principal among these steps is an emphasis on the joint use and joint construction of facilities among all of Reserve components, and a separate emphasis on the shared-use of facilities with the Active components. I am also pleased to report that Reserve components continue to lead the Department in the percentage of projects awarded during the first year of eligibility. This success permits us to provide needed facilities earlier and to minimize the inflationary factor.

Army Reserve Component Automation System

I am pleased to report that significant progress has been made in the last year in the development of the Reserve Component Automation System (RCAS), a major automation initiative to enhance Army Reserve Component peacetime operations and mobiliza-

tion planning and execution capabilities. Under the direction of the Chief of the National Guard Bureau, the comprehensive description of functions to be automated was completed; system development and acquisition plans were developed and approved; full program funding was provided; formal DoD and GSA authorization to proceed with the acquisition was granted; and a request for proposals (RFP) for the phased development of RCAS, with initial deployment of RCAS critical elements beginning in FY 1992, was released to industry on December 29, 1989.

It is my understanding that system acquisitions of this size carry a degree of risk with respect to program cost and schedule. Although the RCAS plans have been structured to minimize such risks, the broad scope of the functions which are to be automated may create cost and schedule problems which cannot be anticipated. I have been assured that every effort is being made to ensure that such problems do not arise and that the program will continue to progress on schedule. Much more will be known about the nature and degree of risks to the program following the review and evaluation of the contractor bids at the end of FY 1990, and of the subsequent results of contractor performance during the competitive demonstration which is to be completed in FY 1991.

Counternarcotics Activities

The Counternarcotics Program of the DoD has expanded substantially in recent months. Part of that expansion is the result of the performance by the Department of three specific

counternarcotics missions which were established by Title XI of the FY 1989 National Defense Authorization Act. The expansion is also due to initiatives which have been taken by the DoD in the implementation of the President's National Drug Control Strategy.

To date, the largest use of Reserve forces in the Nation's fight against illegal drugs has involved personnel of the National Guard operating in a "state" or Title 32 status. For both FY 1989 and FY 1990, 54 separate state and territorial plans for the use of the National Guard were submitted to the DoD for review and approval.

During FY 1989, more than 1,811 support missions were conducted by some 6,796 National Guard personnel, utilizing some 149,449 man-days of effort. The missions included ground and aerial reconnaissance and surveillance. Photo reconnaissance was typically provided by RF-4C Air National Guard units and OV-1D Army National Guard military intelligence units. Additional tactical intelligence through surveillance of such special targets as border crossing points, abandoned air strips, etc., was provided by Special Forces, Long Range Reconnaissance Patrols, and by other specialized units of the National Guard. The missions also included: the transportation of law enforcement officers, evidence, seized property, and contraband; Air National Guard radar operations to track suspect aircraft; cargo and container searches at seaports, airports, and land border entry points; aircraft, watercraft and motor vehicle searches at law enforcement checkpoints; joint training for National Guard and law enforcement personnel; administrative, intelligence, engi-

neering, communications, and maintenance support to law enforcement agencies; and the loan of specialized military equipment. The missions were usually performed in addition to the regular training activities of the National Guardsmen, but on a case-by-case basis some missions were conducted incidental to regular training or as a by-product of regularly scheduled training.

Law enforcement agencies at the Federal, State and local levels have been very pleased with the support that has been provided by the National Guard. The challenge for the DoD and for the individual Adjutants General is to continue this excellent support in a way which does not violate the restriction imposed by the FY 1989 legislation that such support "may not be provided" if it will "adversely affect the military preparedness of the United States."

The counternarcotics activities of the Federal Reserve forces have necessarily been limited by the restrictions of the Posse Comitatus Act of 1978. Nevertheless, increasing use is being made of those forces. For several months, individual Reservists have made critical contributions to the efforts of the Commanders of Joint Task Force 4 (Key West, Florida) and Joint Task Force 5 (Alameda, California) in their performance of the DoD mission to serve as the lead Federal agency for the detection and monitoring of the aerial and maritime transit of illegal drugs. On November 13, 1989, the Secretary of Defense announced the activation of a third anti-drug joint task force, JTF-6, at Ft. Bliss, El Paso, Texas. Joint Task Force 6 will serve as a planning and coordinating headquarters to provide counternar-

cotics support from the DoD to Federal, State and local law enforcement agencies along the Southern border. The support has involved and will continue to involve the use of Federal Reserve forces as well as Active duty forces. The Marine Corps Reserve, for example, has provided training and equipment support to law enforcement agencies, including the U.S. Border Patrol and U.S. Customs Service. The Naval Air Reserve has flown surveillance sorties in support of drug enforcement efforts while Naval Reserve ships provide individual support. The Air Force Reserve provides support primarily in the form of surveillance on training flights. Coast Guard Reservists contribute directly by performing such duties as port security, surface interdiction, investigations, boardings, and surveillance.

**The FY 1991 Budget Request
for the Reserve Components**

Table 17 summarizes the budget which has been recommended for the Reserve components for FY 1991.

TABLE 17

**Reserve Component Budget Requests
January 29, 1990 Submission
(\$ In Millions)**

	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
Army National Guard	<u>Actuals</u>	<u>Estimate</u>	<u>Budget</u>
Military Personnel	3,297.8	3,246.7	3,358.7
Operation & Maintenance	1,826.9	1,859.1	1,988.5
Military Construction	<u>229.2</u>	<u>205.2</u>	<u>66.4</u>
Totals	5,353.9	5,311.0	5,413.6
Army Reserve			
Military Personnel	2,240.8	2,201.1	2,337.1
Operation & Maintenance	810.8	872.1	890.4
Military Construction	<u>86.0</u>	<u>79.5</u>	<u>59.3</u>
Totals	3,137.6	3,152.7	3,286.8
Navy Reserve			
Military Personnel	1,588.4	1,572.2	1,624.6
Operation & Maintenance	955.7	923.5	984.6
Military Construction	<u>60.9</u>	<u>56.6</u>	<u>50.2</u>
Totals	2,605.0	2,552.3	2,659.4
Marine Corps Reserve			
Military Personnel	315.0	314.5	336.4
Operation & Maintenance	<u>77.4</u>	<u>77.4</u>	<u>86.1</u>
Totals	382.4	391.9	422.5
Air National Guard			
Military Personnel	1,032.9	1,057.5	1,089.0
Operation & Maintenance	2,021.9	2,021.5	2,175.4
Military Construction	<u>158.5</u>	<u>199.0</u>	<u>66.5</u>
Totals	3,213.3	3,278.0	3,330.9
Air Force Reserve			
Military Personnel	654.2	662.8	684.0
Operation & Maintenance	1,072.5	1,008.5	1,042.5
Military Construction	<u>70.6</u>	<u>46.2</u>	<u>37.7</u>
Totals	1,797.3	1,717.5	1,764.2
Total For All Reserve Components			
Military Personnel	9,129.3	9,054.8	9,429.8
Operation & Maintenance	6,765.2	6,762.1	7,167.5
Military Construction	<u>605.2</u>	<u>586.5</u>	<u>280.1</u>
Totals	16,499.7	16,403.4	16,877.4

Conclusion

The world is rapidly changing. The changes present major challenges to the planning of the force structure and (Active/ Reserve) force mix which are necessary for the implementation of our national military strategy, including the preparation for future conflicts which are increasingly difficult to predict. I continue to believe, however, that these challenges can be met successfully if we address them with candor and energy, as well as an informed and focused discussion of how we can yet improve a Total Force Policy that has already proven to be a major success.

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